

**Crisis or Renewal? The origins, evolution and future of
public service broadcasting 1922 to 1996**

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Abstract

In the 1980s the future of public service broadcasting in Britain was called into doubt. Technological developments in cable, satellite and digital technologies were, it was argued, poised to end the condition known as 'spectrum scarcity'; while the emergence of a neo-liberal Conservative government, pledged to 'rolling back the frontiers of the state', was of the opinion that the current system of public service broadcasting provision was no longer necessary given the number of broadcasting channels now available; broadcasting, in its view, would increasingly be able to mirror the publishing industry in its structure and future regulation.

Critics however, were loathe to accept the argument that technological considerations alone ought to drive broadcasting policy; and two key questions emerged. Firstly, how was public service broadcasting to be defended in a climate increasingly hostile to public service ideals and institutions in general; and secondly, and as a result of the first question, how was public service broadcasting to be understood?

This thesis seeks to answer both these questions and argues that in the process of clarifying the nature of public service broadcasting in the past, that solutions for its defence in the future will be found. Public service broadcasting, was not, it will be argued, simply about institutions like the BBC, but evidence of a much broader and widely shared (across the political divides) understanding of the proper role of broadcasting in a democratic society (at least until the 1980s). In short, public service broadcasting in the past was never simply a response to a set of technological conditions; instead it was forged from a set of political, economic, administrative and cultural ideas about the nature of society and broadcasting's role in it; and hence its ability to respond to the new conditions of the 1990s and beyond.

Introduction

In Britain since the early 1980s there has been a widely held perception, shared by politicians, broadcasters and academics, that public service broadcasting is in crisis. It is a crisis which has been linked to two distinct developments; one is technological in origin, the other political. It is argued for example, that we are on the verge of a technological revolution; that the arrival of cable, satellite, digital and interactive technologies will end the condition known as spectrum scarcity, and that in the very near future there will be an infinite number of broadcast channels for the public to enjoy.

These technological developments have been closely associated with (but are not directly related to) a political attachment to the idea of deregulation, of 'rolling-back' the frontiers of the state, of de-monopolisation and privatisation; an attachment at the heart of neo-liberal Conservative policy since Mrs Thatcher swept to power in 1979. This has not been simply a British phenomenon: 'public service is being challenged across the world. Its future is threatened by new technologies and by governments eager to privatise public sector institutions' (Richard Collins and James Purnell, 1995:1).

As far as public service broadcasting is concerned the argument, championed by Conservative politicians and new media players (particularly the newspaper industry seeking a share of the lucrative broadcasting market) has been that all broadcasting (but in particular public service broadcasting) must adapt to these changed circumstances. In short, that the 'status quo is not an option' (Lord Thompson, 1990: 4) and that as the number of channels available increases, regulation must take into account the fact that the 'sort of regulation sensible for a world of four channels is not likely to be sensible for one where some dozens may be available' (Douglas Hurd, speaking in his capacity as Home Secretary, cited by Lord Thompson, 1990: 6).

These techno-political arguments about the future of public service broadcasting were given their clearest expression in 1986 by the Committee on the Financing of the BBC (Peacock Report) [Cmnd 9824]. The committee was set up by Mrs Thatcher who was looking to extend her general philosophy of deregulation to broadcasting; however, it did not reach the conclusion wished for by its political mistress, and in what was a largely 'wide-ranging and thoughtful document' (Lord Thompson, 1990: 4) concluded that the BBC ought to remain funded by the licence fee (not advertising as had been suggested) for the foreseeable future.

If the Peacock report did not come to the 'right' conclusions, as far as the Government was concerned, it was nevertheless, enormously influential. Firstly, its recommendations about commercial television led to a major change in the way commercially-funded broadcasting was financed (by 'franchise auction' following the implementation of the 1990 Broadcast Act); and secondly, its analysis of public service broadcasting and the impact of new technology, set the tone for the subsequent debate about the nature and future of public service broadcasting.

In fact, although the committee 'had some difficulty in obtaining an operational definition' of public service, either from the broadcasters, or indeed from anyone else (Paddy Scannell, 1989a: 135 citing the Peacock report, 1986: 130) the report was a serious and methodical attempt to understand (at least from the point of view of policy) what was meant by public service broadcasting and what kind of programmes public service broadcasters ought to deliver.

The Peacock committee acknowledged that there were many interpretations of public service broadcasting. For instance, it accepted a distinction between public service as a 'set of institutional arrangements' and 'public service as a shorthand way of referring to certain characteristic beliefs about the aims

of such institutions and the methods by which they should pursue them' (Peacock report, 1986: 130). In particular, the report noted that most broadcasters insisted on a duty to inform, educate and entertain, as well as the principle of universality. However, in the final analysis the committee did not develop its definition of public service as a set of 'characteristic beliefs' about public service and public service institutions, and concluded instead, that the best operational definition of public service was 'simply any major modification of purely commercial provision resulting from public policy' (Peacock report, 1986: 130).

In short, public service was defined in a very general way, so that any intervention whatsoever in the operation of the 'free market' could be interpreted as 'public service'. For example, in the committee's view even a 'full broadcasting market' would require a public service element, such as the 'collective provision of programmes which you and I are willing to support in our capacity as taxpayers and voters, but not directly as consumers' (Peacock report, 1986: 131); and such an intervention, using the Peacock definition, ought to be considered to be 'public service'. However, this differed from an earlier understanding of what was meant by public service broadcasting which stressed that all of broadcast output ought to be addressed, rather than that which the market could not or would not provide (Annan report, 1977).

The findings of the Peacock committee, its stress on the impact of new technology, its argument that in the near future broadcasting would increasingly mimic the publishing industry; and that sooner or later, regulation and funding would have to adapt to these new circumstances, led to a fierce debate about the future of public service broadcasting amongst broadcasters, interested observers and academics working in the field.

In particular, there was growing disquiet about the future of the BBC as the major public service broadcasting institution.

For although the BBC's licence fee was not abolished, and the BBC survived Peacock relatively unscathed, the fear remained that public service broadcasting in general, and the BBC in particular, was threatened by new technology and the Government's political antipathy toward public service institutions.

Veteran broadcaster and former managing director of BBC World Service, John Tusa, has argued that the BBC's kind of public service broadcasting 'provides a sense of community to the nation' and is central to the 'issue of social cohesion or social fragmentation' (1994: 7). While academics like Nicholas Garnham have argued that the British public service broadcasting system embodies the principles of Jurgen Habermas's public sphere and should be protected from market forces because it provides a 'national focus for political debate and information' crucial for 'the national political process' (1986: 45). Others, like Paddy Scannell and David Cardiff have begun to construct a social history of public service broadcasting which describes the importance of the public service ideal for public communication and also takes issue with contemporary assumptions about the end of spectrum scarcity (1991: 3).

In short, these supporters of broadcasting as a public service have attempted to debunk the idea that broadcasting policy was in the past, or ought in the future, be driven by technological considerations alone. In their view public service broadcasting presupposed the belief that the public interest needs 'to be asserted by public authority' (Will Hutton, December 13 1995) and that 'social relations...are political rather than economic' (Nicholas Garnham, 1986: 45).

Despite these important interventions there has however, been little suggestion of either a systematic theory of public service, or indeed, of public service broadcasting. Instead, public service has been understood more in terms of its relationship to a number of public policy problems - such as how to secure an efficient, accountable and universal service in

public utilities - rather than as a coherent philosophy.

This is not to say that public service as a concept has been entirely neglected; for instance, in the 1930s public service was analysed in relation to the development of public corporations, and the BBC was singled out as an example of a public service institution *par excellence*. (cf. Marshall.E.Dimock, 1933; W.A.Robson, 1937; T.O'Brien, 1937; Lincoln Gordon, 1938). However, since the 1930s there has been little attempt to provide a detailed analysis of public service broadcasting in terms of this wider debate about public service; indeed, Paddy Scannell has argued that the reason why public service broadcasting appears to be in crisis is because of that very failure (1989).

This thesis will therefore, locate and analyse the development of public service broadcasting in terms of wider debates about public service in general; and the key questions will be whether public service broadcasting can survive the 'communications revolution' and how useful it is to define public service broadcasting as 'simply any major modification of purely commercial provision resulting from public policy' (Peacock report, 1986: 130).

The post-Peacock refrain has been that public service broadcasting in general, and the BBC in particular, were technological accidents 'appropriate in the past because there could be no freedom of entry to the broadcasting market. Choice could not be provided across many channels, so it had to be secured within one' (Richard Collins and James Purnell, 1995:7). However, the assumption about the role of technology in determining the establishment of public service broadcasting has, it will be argued, been a misguided one. If, for instance, the existence of technological constraints (spectrum scarcity) can be shown to have played a relatively minor part in the emergence of public service broadcasting, then the arrival of infinite channel capacity is not necessarily the end of public service broadcasting.

The thesis will concentrate therefore, on whether it is possible to identify some distinctive characteristics of public service broadcasting beyond arguments about spectrum scarcity; in short whether, at key moments in its history, public service broadcasting constituted a set of beliefs or core principles which could be understood as a concrete theory; and if so, whether a philosophy of public service broadcasting remains possible in the 1990s and beyond.

Critics such as Raymond Williams (1958), Keith Middlemass (1979) and Harold Perkin (1989) have viewed public service as playing an important ideological role in the practical abandonment of class conflict in Britain (Keith Middlemass, 1979: 21). This raises a further question as to whether public service and public service broadcasting ought to be viewed as essentially reactionary, or whether they still have something to offer in terms of 'good outcomes for economy and society' (Will Hutton, The Guardian, 'The Public Interest is Just a Lottery', December 13 1995).

Finally, this thesis is not a detailed history of the BBC (as an example of a particular kind of public service broadcaster) nor an analysis of public service programming. It is the study of a concept, an idea, and how various influential groups and individuals have thought about public service, both as a general concept and in its specific application to broadcasting. In so doing it will be argued that by the 1930s public service could indeed be understood as a 'theory' inasmuch as those who worked in the public services and wrote about public service and public service broadcasting, shared a distinct set of beliefs about what they were doing and why they were doing it. In short, even though, 'with the passing of time the concept has become more and more obscure' (Paddy Scannell, 1991:4) that public service and public service broadcasting will emerge as coherent, pragmatic concepts with continuing relevance for the future.

Chapter One will demonstrate how the origins of the public

service concept lay in nineteenth century debates about the nature of the state, the importance of character, duty and obligation; and the idea of the public good as a basis for policy. In particular, the stress on service will be shown to have its roots in patterns of Indian colonial administration, where there was a pressing need to secure loyalty and honesty in employees responsible for administering an Empire. Public service and public service broadcasting will also be shown to have their roots in nineteenth century arguments about the role of culture in society.

Chapter Two will look at how the concept of public service was shaped by a growing belief in a 'positive' role for the state under the conditions of late capitalism. In particular, the debate between individualist and collectivist perspectives in Liberal political thought will be shown as crucial for understanding the importance of the idea of self-development and character in the emerging public service philosophy.

The chapter will also describe how towards the end of World War One, public service was linked to the attempt to reform the administration of the state; this was signalled by the view that many services would need to be operated in the national interest if liberal democratic society was to survive post-war, political and economic developments. Public service therefore, was increasingly associated with arguments to do with state intervention in the national interest and the need, in a mass democracy, to take into account public opinion.

Chapter Three will illustrate how, by the 1920s public service could be understood as an increasingly coherent set of principles. These principles embraced a definition of efficiency which stressed the 'human factor', a 'belief in people rather than balance sheets' and a commitment to service to the community. These principles were widely shared and actively pursued (however inadequately) and were later adopted by public service institutions like public corporations, in particular the

BBC.

It will be argued that by the 1930s, the key elements in public service philosophy and practice had been established; and that public service from this time can be understood as a coherent, concrete and pragmatic philosophy based on a clearly articulated view of society. Furthermore, that public service broadcasting drew its ideas almost exclusively from this pre-existing philosophy of public service; and that both were a mix of organisational theory, human relations theory and a blend of 'scientific principles with ethical ideals' (Marshall.E.Dimock, 1978: viii).

Chapter Four will focus on the development of public service broadcasting in tandem with the growth in public corporations. In particular, public service broadcasting will emerge as a flexible and adaptable ethos in the face of economic, political, cultural and technological developments. For example, by 1923 (and prior to its establishment as a public corporation) the BBC was understood as a public service institution which produced public service programmes. Public service broadcasting was 'definite in character'; it was to provide universal service (in terms of access and content) and the public interest was to be embodied in a board of commissioners. It will be argued therefore, that although public corporations like the BBC have long been associated with public service broadcasting, public service broadcasting was never tied to this one institutional form; hence its potential to adapt to changing circumstances.

Chapter Five will focus on one of the most important elements in the public service paradigm - efficiency. Efficiency will be shown to be an enduring theme, and the means by which the BBC's monopoly (and subsequently public service broadcasting in general) was legitimated until the late 1970s, when definitions of efficiency began to change, in line with changing definitions of democracy. The re-establishment of public service definitions of efficiency - efficiency in its widest sense - will be shown

to be vital for the future health of public service broadcasting.

Finally, **Chapter Six** will focus on the enduring problem faced by public services; the need for such institutions to be both accountable and independent. It will be argued that if public service broadcasting is to survive in the future (in whatever form it takes) then the problem of accountability must be resolved and the relationship between the governors and the governed, the broadcasters and the public, reinvigorated.

Chapter One.

The origins of the public service concept

The concept of public service is most closely associated with political, economic and administrative developments in the twentieth century. However, elements of the public service paradigm have characterised the relationship between individuals and the state from the sixteenth century onwards.

1.1 Public service as an ethic and an institution

The idea of public service began as a description of behaviour, a way of distinguishing between private and public duty or between the state and the individual (in particular it described what behaviour was expected of soldiers and sailors in the armed services). Subsequently, the concept became attached to institutions like the Post Office and the Civil Service; and more recently, to the public utilities and broadcasting. From the beginning however, the dual nature of the concept of public service was clear. On the one hand it was used to describe the way the public interest was embodied in particular institutions, and on the other, it referred to an ethic which was to govern the behaviour of individuals in the employ of the state.

Public service also signalled to the proper sphere of state activity versus private enterprise, as well as raising issues such as the need for an efficient administration. Public service for instance, took on some of the elements of what was called public mindedness or heartedness or spirit. These concepts were seen as desirable attributes for persons and societies and had long been associated with a notions of 'service'. In the seventeenth century for example the view was that 'in a civil State or Publick, we see that a virtuous Administration...is of the highest service' (Oxford English Dictionary, 1989: 63).

How this 'virtuous administration' might work in practice was a matter for dispute; and in fact, the prevailing critique of the public service up until the mid nineteenth century - the civil service or one of the armed services - and what existed in terms of public service ethics - was almost entirely critical. These particular services were regarded as being synonymous with corruption and nepotism.

Public service also raised the question of whether there was a single, homogeneous public, or a number of distinct publics organised around class or taste. Indeed, there was the important issue of whether all members of the public or publics were to be considered as equals. For instance, well into the nineteenth century the 'public' referred to was effectively less than one comensurate with a full and universal franchise. The public (or at least the public worth cultivating) was essentially the political class and this, because of the narrowness of the franchise, was an extremely thin wedge of society.

In the mid Victorian period however, the expansion of the electoral franchise began to open up political and cultural life, and there grew an awareness that the public (particularly in matters of taste and culture) might not be as homogeneous as had previously been thought; that in fact, as John Ruskin noted in 1880, 'there is a separate public for every picture and for every book' (Oxford English Dictionary, 1989: 1. 21). This notion of the possibility of several publics co-existing had political and cultural implications and by the 1930s it was increasingly common to assume that 'there is a separate public for every issue raised. We are compelled therefore to think of various publics' (Oxford English Dictionary, 1989: 87).

One of the earliest references to a 'publicque service' can be found in the sixteenth century during the reign of Henry VIII. Here its meaning was one of simple contrast to private interests - a person might work for the King and work for himself - 'so that they be well employed, both in the publicque service and in

their own particular' (Oxford English Dictionary, 1989: Lambard, Peramb, Kent, 1826). However, reflecting the politics of the times, 'publicque service' also referred to service to the monarch rather than to a constitutional state thus echoing a key concern in political science about the nature of political obligation. This was a concern first identified by Jesus in the New Testament, when he spoke of the relative duties owed by a citizen to his Monarch and to his God: 'Then saith he unto them. Render therefore, unto Caesar the things which are Caesar's; and unto God the things that are God's' (The Holy Bible, 1979: 29).

By the 1640s the phrase public service was in use in reference to taxation in the North American colony of New Haven where 'the farmers that have butter and cheese were desired to keepe it in their hands, that in case the publicque service requirre it, they may be furnished' (Oxford English Dictionary, 1989: 1645). Again 'publicque service' defined the limits between what a person might produce and keep for themselves and what was due to those who ruled; here however, there was a sense of a greater entity than a single monarch; now dues were owed to the state. In this way, the term publicque service was used to provide a definition of the parameters between the private and the public, the state and the individual.

By the seventeenth century, under the influence of Puritan republicanism, the notion of the public began to develop an increasingly moral dimension. In 1671 for instance, the poet John Milton wrote in his poem Samson Agonistes, 'to the public good Private respects must yield' thus stressing the necessity for the interests of the public to take precedence over private interests.

At the same time constitutional and political changes had meant that 'Publick Bills' in the legislature were increasingly commonplace (1678). In 1765 Blackstones was to report that 'statutes are either general or special, public or private. A general or public act is an universal rule, that regards the

whole community' (Oxford English Dictionary, 1989: 85). The law itself had established the principle of separate public and private spheres of activity and in 1706 public service was again referred to in terms of taxation. For instance, it was resolved in Parliament that 'this House will receive no Petitions for any sum of Money, relating to the publick Service, but what is recommended from the Crown' (Oxford English Dictionary, 1989: 211). In other words there had been established a specific area of 'publicque service' within the state administration and this was to be financed solely through general taxation.

By the beginning of the nineteenth century, under the influence of utilitarian and liberal theorists like Jeremy Bentham and John Stuart Mill, there began to be established a vocabulary of public administration and public law, while in the United States there were already references to the institutional phenomena of the public corporation.

Public corporations, are such as exist for public political purposes only, such as countries, cities, towns and villages. They are founded by the government, for public purposes, and the whole interest in them belongs to the public (Oxford English Dictionary, 1989: 222).

By the 1840s commentators were arguing that 'it may be said there are contracts which ought to be declared void for reasons of public policy, or to use a more correct expression...reasons of public utility' (Oxford English Dictionary, 1989: 457) and by 1853 that 'public policy...is that principle of the law which holds that no subject can lawfully do that which has a tendency to be injurious to the public or against the public good' (Oxford English Dictionary, 1989: 437).

By the 1850s the term public service - used to refer to both the Civil Service as an administrative institution and to a set of particular characteristics - had not only entered common speech but because of the gap between intention and practice, was increasingly considered in negative terms. Public service had begun to imply bureaucracy, red tape and a means of preventing

ordinary people from achieving social justice or even individual happiness.

This kind of critique of the public service was central to the work of the writer Charles Dickens. For instance, in his novel Little Dorrit (1857) Dickens offered a detailed analysis of the political and administrative changes transforming English public life. The setting of the novel in the Circumlocution Office referred to the developments which were taking place as a result of the Northcote-Trevelyan reforms of the civil service which had been set in motion in 1853.

Dickens had played an active part in supporting the movement for reform. On June 27 1855 for instance, in an address to the newly created Society for Administrative Reform, he referred to a speech that had been made by Layard to the House of Commons the week before:

This House views with deep and increasing concern the state of the Nation, and is of the opinion that the manner in which merit and efficiency have been sacrificed, in public appointments, to Party and family influences, and to a blind adherence to routine...[and that this] has given rise to great misfortunes and threatens to bring discredit upon the nation's character and to involve the country in great disasters (Charles Dickens, 1967: 18).

In Little Dorrit Dickens was concerned with the devastating and particular effects of red tape on his characters, as well as offering a more general critique of society, and in particular, the deadening and corrupting nature of modern bureaucracies.¹ However, by the 1880s this image of public service - in both the

¹ There is for instance, a scene where Barnacle, on a visit to Clennam in the Marshalsea prison, resignedly defends the 'right' of the administration to be 'left alone'. He reminds Clennam that his form filling hasn't got him anywhere: 'Look at it from the right point of view, and there you have us - official and effectual. It's like a limited game of cricket. A field of outsiders are always going in to bowl at the Public Service, and we block the balls'. Clennam responded: 'What became of the bowlers?' Barnacle replied that they 'grew tired, got dead beat, got lamed, got their backs broken, died off, gave it up, went in for other games' (Charles Dickens 1967: 804).

legal system and civil service - had mostly been transformed as a result of the institutional changes brought about by the Northcote-Trevelyan reforms, the growing credibility afforded to the notion of public law and public administration and a legitimacy conferred on the various public services by the emerging professional elites.

1.2 Public service and the influence of colonial administration

The ideal of 'service' was also important to the developing concept of public service. Definitions of service ranged from the condition of being a domestic servant, to being a religious servant of God, through to the condition or employment of a public servant in the British service - in effect, a soldier or a sailor. These military activities were considered as spheres of duty, or occupation or profession. To take service meant to enlist under a military commander, to join a fighting force; and was later extended to include the consular service, the customs service, the diplomatic service, the civil service and the excise service. Service was seen therefore, as a primary aspect of the state's activities - although there were also important instances of private enterprise having links to notions of service.

The term civil service for instance, originally applied to the Covenanted servants of the East India Company who did not belong (at least directly) to the Army or Navy or indeed to the state (Sachchidananda Bhattacharya, 1967: 260) It was only later that the term was extended to include all the non-war like branches of the public administrative service of the state - the diplomatic service, the post office, educational institutions controlled by the state and the collection of revenue by the state.

In fact it was the experience of colonialism in India which helped to establish administrative expertise and an ethical framework of behaviour for public servants which was later

adopted by both the British civil service and by the quasi-autonomous organisations (public corporations) which began to operate the public services in Britain from the 1920s onwards.

From the eighteenth century the East India Company had begun to take control of more and more Indian dominions. This meant that more clerks or 'writers' as they were known were put in charge of administering newly acquired territory. These writers were young British men, nominated by the Company's directors or chosen because of their relationship with shareholders; they were often under twenty years of age, had little education and were on low salaries. In a short time these young men were found to be guilty of gross corruption and dishonesty, so the Company required them to sign 'covenants' or contracts promising to service the Company with honesty and integrity - later this was extended to the officer class. Thus by the nineteenth century the Covenanted Civil Service had become a regular part of the Company's administrative machinery in India (Sachchidananda Bhattacharya, 1967: 261).

While the Indian experience gave the British administrative class a useful lesson in the complexities of administration (the need for high standards, the necessity of securing loyalty, honesty and good service from its employees); a lesson which was to influence the reform of the British civil service in the 1850s; the Indian experience also gave administrators and politicians the experience of dealing with a semi-autonomous organisation and the attendant difficulties of exerting political control from a distance.

The administration of India by Britain falls into two periods - 1773 to 1858 and 1858 to 1947. Prior to 1773 the administration was carried out by the East India Company, however, by the 1770s it was at last considered that 'institutions which had been created for carrying on the administration of a commercial and trading concern were...inadequate for running the administration of a kingdom'

(Sachchidananda Bhattacharya, 1967: 161).

The Regulation Act of 1773 left the administration of India in the hands of the Company but also provided for the Parliamentary supervision of the Company's administration in Indian territories. However, it quickly emerged that Parliamentary control over the Company's affairs in India could not be effectively exercised and Pitt's India Act of 1784 vested government jointly in the Crown and the Company and tightened up Parliamentary control by setting up a Board of Control in England. This dual system of control via Parliament (through the Board of Control) and by the Company lasted until the mutiny of 1857, when the President of the Board of Control sat in Cabinet in effect as Minister for India.

Government by Board of Control or by public corporation or by commission was not confined to Britain and her Empire. Commissions were commonplace in the United States of America where a legal framework of public law demanded the regulation of public utilities in the public interest. The state was always willing to intervene when national security was at stake and the US government's relationship to the Panama Canal for instance, bears more than a passing comparison to the activities of the British government and the East India Company.

The British Empire however, provided the best example of these developments. For instance, in the state of Victoria in Australia, there was not only much greater enthusiasm for the positive effects of state intervention in public life than in Britain itself but the state was seen as essential in order to 'secure social and economic objectives' (F.W.Egglesstone, 1932: 23-4). Australia was a country where a large section of the population were fairly recent immigrants, where life was often perilous and survival contingent on the construction of a modern infrastructure; accordingly, the state was viewed as an essential part of the project of constructing a new society.

Equally, the military roots of the concept of service should not be underestimated and one could argue that one of the difficulties that the concept of public service finds itself in the late twentieth century is in part to do with the demilitarisation of society in general. Notions of duty and obligation have been increasingly displaced; in many instances only to be replaced by demands for 'rights'. In the nineteenth century however, the concepts of duty and obligation were central moral imperatives which underpinned, at least in theory, the entire edifice of British administrative and public life.

1.3 The ideal of service - duty, obligation and character

Duty and obligation also underpinned the idea of service; a concept which has been identified as one of the great achievements of the Victorian middle class and one that deeply influenced later generations:

The Victorian reforming ideal of service was animated by a sense of moral purpose and of social duty on behalf of the community, aimed particularly at those most in need of reform - the lower classes. It was institutionalised in the bureaucratic practices of the newly emerging professional classes - especially in the reformed civil service of the late nineteenth century whose members saw themselves as public servants (Paddy Scannell, 1989a: 22)

In this sense the idea of service equated with the 'neutral' element in the state apparatus and it was taken for granted that men in government service were 'fit and proper persons'; that they were classless (in the sense of remaining impartial in all conflicts) and conscious of party, if at all, only in their private lives. This was later modified to meet twentieth century requirements and extended to cover experts and advisers to government, the staffs and boards of public corporations in the 1920s and 30s, and after 1945, of the nationalised industries. However, the great difficulty with the notion was that neutrality was often defined as congruence with the aims of the state, as perceived and defined by those same experts and public servants

(Keith Middlemass, 1979: 23).

The idea of service was also linked to Liberal arguments about the importance of 'character'. For Liberal individualists it was character which was the 'primary aim of politics'. Increasingly however, 'the ideal of character came to be recognised as a positive function of the state'. In this way, character (which had been associated with the self-reliance of Liberal individualists) metamorphosed into 'self-development' or self-realisation, and became increasingly associated with Liberal collectivism (Stefan Collini, 1979: 22).

In practical political terms this meant that Liberal individualists as well as Liberal collectivists could argue that the removal of certain material obstacles - poverty for instance - was acceptable, since it would help facilitate greater self-knowledge. The implication was that poverty was as dangerous to a man's character as any degree of dependency upon the state (Stefan Collini, 1979: 22-28).

The high moral content in Liberal thought was linked to another influential trend in late Victorian and early Edwardian society; the gradual shift from utilitarianism towards philosophical idealism. Idealism was characterised by its 'organicism' and its emphasis on:

society as a unity rather than an aggregate, upon the social specification of individual morality, and upon the supreme role of the state as the expression of the individual will of the community (Stefan Collini, 1979: 44-46).

Phrases like 'the ideal of service, the duty to contribute to the common good, the need to make the best of one's self, the duty of self-improvement' were all evidence of the influence of idealism on collectivist thought. However, these ideas were neither the 'exclusive property of collectivist reformers' nor a result of arcane academic theorising; they were in fact at 'the heart of the hegemonic assumptions of the age' (Stefan Collini, 1979: 49).

In the twentieth century this idea of service became associated with the BBC and other cultural institutions like the documentary film movement. Documentary film, which in Britain was closely allied to public relations, became imbued with many of the characteristics of public service through the influence of the Empire Marketing Board and the Post Office; and, many of the new public utility companies found themselves demanding the services of film-makers:

Public utility companies...were in general more preoccupied with corporate image building rather than expanding the market for their product. One way of doing this was to associate corporate policy with public education and public planning (Paul Swann, 1989: 14).

The gas industry for instance, sponsored a variety of films addressing social issues such as poor housing, pollution, malnutrition and education. The intention was that by linking gas with liberal solutions, that the industry would be associated with a modern, socially progressive image while at the same time encouraging new customers.

1.4 Public service - education for democracy

By the 1920s the arrival of universal suffrage meant that the idea of public opinion was at last taken seriously. Increasingly governments had to 'win consent' for their actions and this implied improving the lot of the lower classes. Action in this area focused particularly on educational and cultural needs, in particular, the new mass medium of wireless; the mass of people it seemed, needed to be 'educated for democracy'.

This approach had been exemplified in the thought of Matthew Arnold, the nineteenth century poet and educationalist. Arnold's opinion was that culture should be available to all, that culture could be the emollient which eased tensions between the classes and prepared the masses for democratic society. He equated individualism with anarchy, and culture with unity and service, in particular service to the state:

The State, whoever may administer it, is sacred and culture is the most resolute enemy of anarchy, because of the great hopes and designs for the State which culture teaches us to nourish (Matthew Arnold, 1869: 259)

Arnold's influence on public service broadcasting has been well documented by Paddy Scannell (1990). For instance, the first director-general of the BBC, John Reith, frequently echoed his definition of culture as being all 'the best that has been thought and written about in the world' (Paddy Scannell, 1990: 22). It was Arnold however, who stressed the importance of character on culture and culture on character; and this notion of character was to become central to arguments about public service ethics.

Culture without character is, no doubt, something frivolous, vain and weak; but character without culture is, on the other hand, something raw, blind and dangerous. The most interesting, the most truly glorious peoples, are those in which the alliance of the two has been affected most successfully (Matthew Arnold, 1973: 111)

Culture for Arnold was a means of reducing conflict and hostility in class society, a way of civilising the unruly masses, and preventing revolt from below. Culture and Anarchy, Arnold's best known work, 'expressed that fear in its very title' (Paddy Scannell, 1990: 23). Arnold's belief that culture should be 'carried from one end of society to the other' in order to humanise all that is 'harsh, uncouth, difficult, abstract, professional, exclusive' so that it remained 'the best knowledge and thought of our time, and a true source, therefore, of sweetness and light' (Matthew Arnold, 1993: 79) found expression in the lofty idealism of early public service broadcasting.

The best knowledge to Arnold was knowledge that was accessible, shareable and public, knowledge that could be part of a 'common culture' and not imprisoned in a form of expression that was specialised, technical, idiosyncratic or private. This idea of the capacity of culture to unify, to heal divisions in society, was one of Arnold's most potent legacies (Stefan Collini, 1993: xxii), particularly for Reithian public service

broadcasting.²

Arnold's thinking was also radical in that it proscribed for the state an extremely active and positive role. For Arnold it was self-evident that the 'state should intervene in the terrain of culture and education' and as far as he was concerned English democracy ran 'no risk of being over-mastered by the State...It's real danger is, that it will have far too much its own way, and be left far too much to itself' (Matthew Arnold, 1973:106).

Concluding remarks

A number of themes emerge. The first has been the on-going debate about the role of the state in a liberal democratic society. Here the argument has centred around the extent to which the state should seek to intervene in economic, cultural and social affairs against the belief that the market should be allowed a free hand. It is a debate between those who view the state as an enabler, a vehicle for the articulation of the public interest, and those who view state power simply in terms of restraints on individual liberty. In the 1920s the argument was won by those who believed that the power of the state could be harnessed for the public good; in the 1980s it was won by those who believed the opposite.

The second theme is also related to the perceived role of the state but invokes the theme of citizenship. Public service implied a political obligation by individuals to the state both in terms of an abstract 'duty' and in terms of a financial relationship. In return, individuals could expect the protection of the state and regard themselves as citizens.

The third is to do with arguments about the notion of

² In Scannell's view it was the combination of Arnoldian notions of culture and Victorian ideals of service which suffused the BBC's programming for the entire period of the monopoly. This attitude, did not, in his view, survive the 1950s, in broadcasting or elsewhere for that matter.

service. The idea of service to the public, is absolutely central, particularly as far as public service broadcasting was concerned. Service implied a matrix of duties and obligations as well as the idea that individuals could be spoken to as rational citizens. The idea of service also had a moral dimension; although service was very much an 'ideal' (and behaviour often fell short of its exacting standards) and also possessed some rather reactionary aspects. For example, the idea of service was very much aimed at 'improving' the moral behaviour of the lower orders; and it was taken for granted that the political, economic and cultural elites should set and enforce standards in society.

In the 1980s this old idea of service was pitted against a more commercial, entrepreneurial and amoral approach, and lost. In the 1990s however, politicians fearful of electoral failure, have resurrected the idea of service. Notions of 'service', Citizen's Charters and the need for 'civic humanism' are once again on the political agendas of both Conservative and Labour - though what they will mean in practical policy terms is not clear. The difficulty remains; in the 1920s the idea of service was part of a larger worldview; this no longer exists and it is unclear how service in the 1990s can address the needs of a more complex and fragmented society.

Fourthly, from the very beginning it was clear that the public service concept had a dual character; it was both an ethos (a way of doing things which invoked the common good above individual gain) and was embodied in a variety of institutions (some departments of state but also some commercial organisations such as the Covenanted Civil Service, and until 1926, the British Broadcasting Company).

These arguments about the efficacy of the public service concept for delivering solutions to problems of public policy are enduring ones. As we shall see in the next few chapters, the conditions which gave rise to the emergence of the public service concept have not gone away; the questions are the same in the

1990s as they were in the 1890s. In what areas should the common good take precedence over individual gain? To what extent can commercial organisations be expected to articulate the public interest? In a democratic society what are the best mechanisms for delivering basic services at a fair price to the mass of citizens?

Chapter 2

Public service and the state

In the late nineteenth century liberal intellectuals were increasingly concerned about the future of the modern democratic state. This concern led to a debate which, influenced by an expanding franchise, was underpinned by the conviction that the moral character of the working classes needed to be closely monitored; although it was not clear whether the state should be responsible for ensuring self-reliance and self-development, let alone become involved in industry or the economy. More generally it was a debate which explored the relative merits of individualist or collectivist approaches to liberal democratic life.

In the sphere of communications the debate was one which focused on the issue of natural monopoly and how natural monopolies like the railways, the telegraph and telephony should be best administered in the public interest

In the twentieth century this same debate became linked to arguments about planning. Between 1918 and 1939 planning was often used as a synonym for collectivism, and both terms implied a concern with expertise or technocracy since it was believed that an expanded state would require an 'aristocracy of talent' to administer it (Trevor Smith, 1979: xiv: citing Ernest Barker, 1915: 192-3). It was also in this inter-war period that public service theory began to take shape, drawing on a range of sources which included Liberal individualist arguments about the importance of 'character' and Socialist ones about efficiency and political accountability.

In this chapter the focus is on the ways in which the relationship between private and public (between what was the responsibility of the state as opposed to the individual)

expressed itself in the area of communications and in debates about the role of government; while the evolution of public service is seen as evidence of the growing acceptance of a more positive role for the state.

2.1 Individualism.v. Collectivism

In the 1880s intellectuals had begun to question, more rigorously than ever before, both the role of capitalism - which seemed to be responsible for so much misery - and the future of democracy under the conditions of industrialisation.¹ For Liberals the debate coalesced around the terms 'individualism' and 'collectivism', which became powerful symbols of intellectual difference. By 1918 the terms had fallen into disuse, but the debate they generated was to influence the way public service theory was to be conceptualised in the 1920s.

The nineteenth century conflict between Liberal individualists and collectivists was characterised by a desire to establish the extent to which the state ought to be involved in private and public affairs. The individualists were represented by thinkers like Herbert Spencer (1884) who argued that the 'state was only justified in restricting...liberty to prevent a man from harming his fellows' and 'the economy was a self-regulating mechanism which only functioned efficiently when there were no limits upon competition' (Carole Seymour-Jones, 1992: 84).

Liberal collectivism on the other hand, was linked to the less narrowly ideological 'attempt to implement social reform through the legislative and executive powers of the state' (Stefan

¹ A good example of this kind of intellectual was Beatrice Webb. In her youth, and under the influence of Herbert Spencer, author of Man versus the State (1884), she had come to believe that 'individualism, self-help, laissez-faire and minimal state interference' were the answer to society's ills (Carole Seymour-Jones, 1992: 160). In the 1880s however, she moved towards Fabian Socialism and the idea of collectivism as the basis for social action.

Collini, 1979: 34). The collectivists often risked association with the socialists - which they were not² - but it was their belief that any disadvantages incurred by increased state intervention could be offset by the advantages. For example, they viewed collectivism as a morally superior basis for society because it was based on cooperation rather than competition.

Collectivism and individualism were not however, the polar opposites which Spencer's extreme, anti-statist individualism tended to suggest. It was possible for example, that 'collectivist' policies could be based on individualist thinking. Thus, the increase in volume in state activity in the late Victorian and early Edwardian period was not incompatible with individualism because individualism was about the **grounds** for legislation, not the frequency; furthermore, not all government action was to be seen as a growth in collectivism - for instance, late Victorians saw individualism as the inspiration for much legislation up to the 1880s (Stefan Collini, 1979: 16-17).

Equally the 'qualified individualism' of writers like Henry Sidgwick (1891) was far less hostile to the state than that of Spencer. Sidgwick for instance, believed it was legitimate for the state to legislate to protect children, to enforce professional standards, prevent deception in trade, restrict dangerous processes of manufacture, control disease and make certain sorts of information available. In other words, certain activities, while not being justifiable on purely individualistic grounds, could be properly seen as the 'task of the state'. These were those class of functions which are now identified as public goods - defence, the minting of currency, provision of lighthouses (Stefan Collini 1979: 18-21). Ultimately this class

² For instance, in A.V. Dicey's Law and Public Opinion in England during the Nineteenth Century it is stated that a person can be a collectivist without being a socialist. It would not therefore, 'be entirely misleading to say that Collectivism indicated a wider range of state action than strict socialism whereas socialism generally connoted a level of moral aspiration beyond mere Collectivism' (1905: 64).

of functions would include broadcasting.³

Although it was the case that individualists could support 'collectivist' policies, individualism was still frequently used to combat the trend toward state intervention; and individualist arguments were used in politics, economics and science to attack the state.

The political argument against the state was an objection to any increase in the powers of government on the grounds that it would increase the likelihood of corruption, mismanagement and bureaucracy. It was feared for instance, that power concentrated in government hands would threaten the liberties of individuals, or conversely that government efficiency might lead to, what in modern day parlance is called, 'welfare dependency' (Stefan Collini, 1979:23-31).

The economic argument against the state was the most powerful source of opposition to state intervention in the nineteenth century. While there was an acceptance of the need for a range of state functions there was a 'general assumption that the economy was a system which regulated itself better than could be done by any form of direct management or control'. Opposition to state intervention differed widely depending on the subject. Welfare was less of a target for instance than taxation (Stefan Collini, 1979: 24-25).

Meanwhile, the scientific argument against the state consisted of 'presenting an account of Progress such that Individualism figured as both the mechanism of advance and a constitutive part of the goal'. Evolutionary biology was pressed into service as evidence, metaphor and law, to demonstrate that competition was the motor of advance in the natural and social

³ A.J.P.Taylor, for instance, has argued that during the 1920s defence and broadcasting were the two areas (apart from during the General Strike) which could be singled out as being beyond party political difference (A.J.P.Taylor 1965: 291-297).

world alike (Stefan Collini, 1979: 26-31).

By the 1920s however, individualist arguments against state intervention had been superseded by hard political realities as well as by the growing intellectual coalition which increasingly saw the state and planning as a means of securing political objectives. However, as we shall see when we look at the way the British communications infrastructure developed, this did not mean that state control in Britain had emerged in a coherent pattern.

Thus, although it is true to say that by the 1920s there was a growing and widespread belief in a 'positive' state; a state which ought to develop a 'virtuous' role leading to the 'highest service' to the public; the idea of state intervention in the economy remained controversial. Indeed, the role and the size of the state has been the 'most intractable long-term issue in politics' (Hugo Young, The Guardian, 1995).

2.2 The development of state intervention in industry

During World War One the state, for the first time, became involved in industrial production for the war effort. After the war the desire to return to the 'normality' of the past was too strong to combat opposing tendencies towards permanent control and in fact, after 1918 there was a brief upsurge of enthusiasm for economic freedom. Nevertheless, the state emerged from the war with more functions in the financial and economic spheres than it had before. For example, government controlled industries and services, notably coal mining, shipping and the railways, were not easily disposed of (Sidney Pollard, 1980: 49).

Between the end of the war and the early 1920s the two tendencies which had characterised the late nineteenth century now intensified. One tendency stressed the need for economic freedom and the other, was equally vociferous in favour of public

ownership. Often the two existed in uneasy partnership. The period also saw a growth in protection and subsidy. There were three causes; fear of shortages which might follow the outbreak of further war, a desire to shelter new industries from foreign competition and the hope of preventing unemployment. Economic incentives were imposed in the form of tariffs to protect key industries. For instance, in 1927 a Quota Act was passed to protect the British film industry and steps were taken to relieve unemployment with the launching of small programmes of public works and the extension of unemployment insurance.

In particular the idea of the public corporation began to gain in popularity. Public corporations had been pioneered by the Dock and Harbour boards before 1914 and were followed by the Forestry Commission in 1919, the Central Electricity Board (1926), the British Broadcasting Corporation (1926), the London Passenger Transport Board (1933) and the British Overseas Airways Corporation (1939).⁴ The CEB was particularly significant because it was the first public corporation of its type, preceding the establishment of the British Broadcasting Corporation only by a few months.

Public corporations like the CEB and the BBC were similar in many ways. Both were created to perform a new function and both received support from their respective manufacturing industries. John Maynard Keynes observed the trend and recommended the extension of the principle of 'semi-autonomous bodies...whose sole criterion of action within their field is solely the public good as they understand it'...[these bodies] 'are mainly autonomous within their prescribed limitations, but are subject in the last resort to the sovereignty of the democracy expressed through Parliament' (1926: 41: cited by E.Eldon Barry, 1965: 295) .

⁴ Public corporations had however, been rejected by the Report of the Committee on the Machinery of Government., [Cd 9230] in 1918 on the grounds that they were detrimental to Parliamentary accountability.

The purpose behind the CEB's creation for instance, was to create a national grid and to provide a 'bulk electricity supply to retailers' (Herman Finer, 1937: 128); although others have argued that it was not particularly effective and that by 1936 twenty five per cent of the population was still without access to electricity.

[The CEB] was simply an example of an ad hoc statutory body responsible for a new function. It provided and maintained the 'grid' at public expense and purchased new current from the generating stations for resale to the distributors, without interfering with the private or municipal ownership of these concerns. It was primarily a service to industry (E.Eldon Barry, 1965: 298)

Herbert Morrison however, used the CEB as a model for the London Passenger Transport Bill in 1931. Morrison acknowledged the importance of the CEB to industry but did not believe that it compromised its public service role. He argued that the CEB 'was not a political body, it was a business body, but there was an element of public accountability, public service and public spirit' (E.Eldon Barry, 1965: 299 citing The Times March 24 1931).

The CEB had arisen out of the 'demands of industrialists' for an increase in electrical power to service the postwar economy in the aftermath of the Reports of the Ministry of Reconstruction. In 1919 for instance, the Electricity Commission had been set up but it had

failed to cope with the haphazard system of hundreds of separate local generating stations and distributing units. [It became obvious that] coordination would only be achieved politically by intervention from the state, and technically by the provision of a costly national transmission system with standardisation of frequency (E.Eldon Barry, 1965: 298).

Nationalisation was opposed but the demand for some kind of state action was insistent, in particular from the electrical manufacturing industry (the British Electrical Allied Manufacturers' Association and the Federation of British

Industries); although there was some opposition from vested interests in the supply of electricity (E.Eldon Barry, 1965: 298).

In sum therefore, state intervention by the 1920s remained limited and piecemeal; what was more important was the change in attitude towards the idea of government intervention in industrial and economic affairs and the growing stress on the need for management of certain sectors. By the end of the decade anxiety about the condition of the British economy and serious doubts as to the validity of long accepted economic dogmas were growing among more moderate thinkers than those on the extreme left of the Labour Party; while, there was also pressure on government from depressed interests in agriculture, coal and cotton, with both employers and employees believing that some kind of legislation would improve their economic position (Sidney Pollard, 1980: 40-42).

This was a period of massive polarisation between rich and poor. For some there was growing wealth, improved amenities and a widening of horizons; for others there was prolonged and at times massive unemployment combined with privation, social stagnation and personal hopelessness. The period also witnessed a decline in the old staple industries and the emergence of new ones. This was accompanied by increasing industrial concentration.⁵

These trends were reinforced by the growth in new mass consumer markets and efficient means of transport and distribution to supply them, which called forth mass production by single, large firms. However, this concentration often resulted in 'restriction of competition and the creation of

⁵ Concentration of industry need not automatically equate with monopolistic control and part of the motivation behind this trend was to take advantage of the technical and economic advantages of size, aided also by the contemporary revolution in office equipment and administrative techniques.

monopolistic markets' and by 1939 monopolies had become the normal framework of economic life, to the extent that free competition had nearly disappeared from the British scene (Sidney Pollard, 1980: 102-4).

The public attitude to the extension of monopolistic market conditions was very striking. At the end of World War One the Committee on Trusts had taken it for granted that monopoly was undesirable and in 1919 the Treasury had enforced a gentleman's agreement on the banks to abstain from further amalgamations. However, these were the

last symptoms of a dying era. The drive towards the 'rationalisation' of industry, introduced in this country from Germany about 1924, was perhaps the first sign of change. It began as a movement to improve techniques, but it was soon mainly looking for savings by structural and economic, rather than technical reorganisation (Sidney Pollard, 1980: 104).

By the end of the 1920s 'planning' had become a favoured term and former attitudes towards competition and monopoly had been reversed. For instance, in 1928 the Liberal Industrial Inquiry, which included Lloyd George, J.M.Keynes, L.T.Hobhouse, Seebohm Rowntree and Sir Josiah Stamp, produced a 500 page report on Britain's Industrial Future. This linked ideas about state intervention and public control with the conviction that it was the growth in the scale of industrial units and the growth of political democracy that had forced these changes. The inquiry concluded that there was now

felt to be something inconsistent between the industrial status of the worker as a factory hand subject to strict discipline and holding his employment on the most precarious of tenures, and his political status as a free and equal citizen and a maker and unmaker of governments (Britain's Industrial Future, 1928: xxii).

The report, which was popularly known as the 'Yellow Book', pre-empted Keynesian economics and advocated the expansion of electricity supplies, improvements in telephony, and a massive scheme of public works in road construction and house building

as the means to eliminating unemployment. Echoing the post-war reconstruction committee reports it also argued that 'the problems of modern Government have become more numerous and more technical...[and the Government] is driven to recognise that in modern conditions its policies necessarily affect industry' (Britain's Industrial Future, 1928: 116).

The 'Yellow Book', which was to provide the basis for the Liberal's 1929 General Election manifesto, did not sweep Lloyd George back to power, but was nevertheless extremely influential.

It was essentially an amalgam of avant garde thinking drawn from various fields including economics and industrial relations. Overall, it came down on the side of efficiency rather than democracy to an extent even greater than the Webbs [who] at least wrestled with the problem of the tension between democracy and efficiency [which was] at the heart of the great debate [about planning] (Trevor Smith, 1979: 25).

The report did not support public ownership, on the contrary. It's view was that the 'direct management of industries by Departments of State, or agencies analogous to them' is 'prima facie undesirable and likely to remain the exception rather than the rule' (Britain's Industrial Future, 1928: xxiii). However, the form of words did not rule out public ownership per se and indeed, the report stressed that 'the theory that private competition, unregulated and unaided, will work out, with certainty, to the greatest advantage of the community is found by experience to be far from the truth' (Britain's Industrial Future, 1928: xiv)

While the report rejected the idea of industrial democracy or any kind of guild socialism as advocated by writers like G.D.H.Cole, there was a growing sense in the country, that 'a very wide measure of public control will be necessary if the badly needed work of rationalisation is ever to make any real progress' (Sidney Pollard, 1980: 106 citing The Economist); and the Liberals themselves supported the establishment of public boards and corporations. This support reflected the political

shift the party had undergone. From the party of the 'industrialist, investor and politician' it had become the 'small party supporting capitalism from the point of view of the manager, professional man and public servant' (E.Eldon Barry, 1965: 295).

Efficiency in management, integrity in the public service, respect for the interests of the 'community' (consumers) and loyalty to democratic form, were taken by the Liberals as ideals for 'management' of the whole economy. The essence of Britain's Industrial Future was that private enterprise was still the best economic system, and that its admitted defects could be remedied, in part by state intervention and in part by skilled management. This was to be the middle way between individualism and socialism (E.Eldon Barry, 1965: 295).

However, the Liberals were not alone in these concerns; they were also shared by Socialists, even if the solutions were different. It was the Webbs and the Fabian socialists, who had been responsible for the growing understanding that extensive economic intervention by the state would require considerable adaptation of the machinery of government (A Constitution for the Socialist Commonwealth of Great Britain, 1920); and it was the Webbs who had most clearly outlined the problematic relationship between democracy and efficiency.

The Webbs had been concerned to prevent the extension of state power from leading to a reduction in public accountability of the legislative and executive organs of government; hence the separation of the political and social powers of government into the Political Parliament and the Social Parliament. The dual Parliamentary system they envisaged was designed to improve efficiency in the conduct of government business and their emphasis on efficiency was to become an enduring motif for both the advocates of planning and for public service theorists in the future (Trevor Smith, 1979: 9).

By the 1930s the state was playing an increasingly active role in the cartelisation of industry; it

intervened directly to provide a monopolistic framework where firms were too weak or too scattered, as in the old staples of coal, cotton, iron and steel, shipbuilding and agriculture. For a third type of industry, the public utility, the country groped its way through to a new and significant form of organisation, the public corporation (Sidney Pollard, 1980: 106).

These public corporations, as we shall see, were largely an attempt to 'cope with the problem of the administration of large or nationally important industries'. In most cases they were used when large capital sums were required and when the industry concerned needed a secure control of its market. In particular, they were expediant when there existed

a strong interest in general or social, as distinct from sectional, welfare. It was a compromise to avoid both the exploitation of the public by a private monopoly, and the day-to-day political interference to which ordinary departments of state are normally subjected. The capital might be held by the state or by former owners, including private shareholders but there was the most complete separation possible between ownership and control (Sidney Pollard 1980: 106).

2.3 State development in communications

In the area of communications this uneven pattern of state intervention was apparent from the mid nineteenth century onwards. The goal of laissez-faire had become increasingly difficult to maintain under the burden of Empire, bourgeois self-interest and the processes of industrialisation, which in Britain were extremely well developed. For example, it was because of the forces of industrialisation that the rising commercial and industrial bourgeoisie increasingly looked to the state to provide them with a favourable business climate at home and to promote their interests against those of their foreign rivals.⁶

⁶ A good example of this is the way in which the wireless manufacturers in Britain worked with the state to develop public service broadcasting.

However, as we have seen the British state did not develop in a systematic fashion, and where European states chose to intervene in areas like communication infrastructure, in Britain there was generally no coherent provision for the financing of such industries. In Europe, state intervention, industrial policy, and tariff walls to protect 'infant industry' were more frequently employed; and in the case of communications infrastructure (roads, canals and railways) the European view was that because vast capital sums were required only the state could offer the kind of guarantees needed to attract private investment.

In Britain this was not the case. Generally speaking, the banks made little provision for the financing of industry and as a consequence British communications infrastructure grew up in a highly decentralised and fragmented way, with the railways, for example, being built by separate local companies drawing on local capital markets. However, although in the case of the railways the role of the state was secondary it was not absent, because companies still needed an Act of Parliament to give them the power to compulsorily acquire land and to provide limited liability. Additionally, since the days of the canals, Parliament had also inherited an interest in the maximum charges which could be imposed by railways.

It was the case therefore, that throughout the nineteenth century the railways had been a 'major focus' of the 'debate on how to regulate natural monopolies in the public interest' (Nicholas Garnham, Matthieu Joosten, Jenny Owen, 1994: 42). In fact, as early as 1837 there had been the suggestion that they be brought under a form of public ownership. In his Observations on Railways, with reference to Utility, Profit and the obvious necessity for a National System, William Mudge, an officer in the Royal Engineers, had suggested that the government appoint a 'board of commissioners' composed of 'sound practical men' and including a mathematician, a geologist and an engineer, to examine all railway projects in order to find the best routes

from a 'national' point of view; although he did not suggest that the government construct new railway lines or take over existing ones (E.Eldon Barry, 1965: 79-80).

Later in the 1840s, a Select Committee under Gladstone, who was then President of the Board of Trade, investigated the question of railway development but pressure from vested interests prevented the implementation of rationalising measures. By the 1860s however, there was increasing pressure on the government to act in the face of the growing number of amalgamations taking place in the railway industry and the growing danger of private monopoly. In particular, the railway reformers took heart from the 'striking example of state purchase that happened in 1868-9' when 'with no difficulty at all, the government got authority to purchase the telegraphs from the half-dozen companies who had been developing this new system of communication'. Private enterprise had been successful in the cities, the most profitable sphere, but had 'jibbed at the complete wiring of the country which was demanded by traders' and when the telegraph system was 'handed over to the Post Office' no-one raised the 'cry of laissez-faire' (E.Eldon Barry, 1965: 84).

Several more attempts were made to bring the railways into state ownership but they were unsuccessful. By 1873 even The Times' editorial (March 27) was arguing in favour of state action. Twenty-five years ago, it argued, 'government management' was

synonymous with waste, miscarriage, extravagance and every other incident of commercial failure but now the change which has come over the spirit of the age is almost incredible. Whether from the precedent of the Electric Telegraph and other branches of the Postal service, or whether from a growing conviction that the state ought to do more for the people than it does, we find it stoutly argued that government work is better done than any other work and the presumption has at length culminated in the proposal to make the state proprietor and manager of all the Railways in the Kingdom (E.Eldon Barry, 1965: 87).

In the end however, it was not until a Labour administration was elected in 1945 that the railways were finally brought under state control.

The nineteenth century economy therefore, was not characterised by unrestrained 'free' enterprise and although early debates on communications were influenced by ideas about strongly competitive, free and private companies, it was also the case that communications were increasingly viewed as an instance where the state ought to play an important role.

The Post Office for instance, was considered by 'ancient and semi-inviolable contention' as a monopoly of the Crown, to be operated by public officials (J.H.Robertson, 1947: 21); and its acquisition of the telegraphs in 1870, the telephones in 1911 and, its claims over wireless telegraphy and broadcasting were seen by some civil servants as an opportunity to provide the Post Office with the means to become a true Ministry of Communications. For some politicians this was a logical and acceptable development, for others it was perceived as a threat to the principle of laissez-faire. (J.H.Robertson, 1947: 21).

In general however, governments did not subscribe to the idea that the state should help the businessman, save by enforcing honest and orderly trade procedures and by organising the odd trade exhibition. Liberals for instance, fought the movement to impose tariffs and the party as a whole shared with their main political opponents a complete lack of interest in any proposals for the nationalisation of industries (though some Liberal radicals were in favour of the nationalisation of land).

Thus, although there was some state intervention in communications from the mid nineteenth century onwards, each instance of intervention was preceded by long debates about the extent to which the existence of natural monopoly outweighed the prior claims of competition. It was also still the case that apart from the Post Office early twentieth century governments

had relatively few trading or industrial interests; a situation which had begun to change during the 1870s when 'gas and water socialisation' made some headway at a municipal level. In this period for instance, Joseph Chamberlain's Birmingham City Council was responsible for considerable improvements to the lives of city dwellers.

Public enterprise was seen at its best and most courageous, in the destruction of the slums, the adoption of the great housing schemes, the acquisition and development of gas and water undertakings, the provisions of parks and recreation grounds and the establishment of the Birmingham School of Art (J.L.Hammond, 1935: 50).

However, by 1914 there was still no suggestion that in general terms the national economy could or should be 'managed' by central government (F.M.G.Willson, 1957: 294); although there was a huge expansion within the state administration itself. For instance, in the period following the Northcote-Trevelyan Report of 1853 the Civil Service and public services (boards and commissions) had begun to grow quite significantly. Decisive landmarks were the Superannuation Act of 1859 and the development of Parliamentary machinery such as Orders in Council in 1870 and 1920 (W.A.Robson 1937: 11).⁷

Thus, by the end of the nineteenth century, communications debates were less to do with whether the state should intervene or not but the grounds and methods by which the management of these industries could be justified (Nicholas Garnham, Matthieu Joosten and Jenny Owen, 1994: 45). In communications

the major and continuing theme has been the problem of regulatory control of private enterprises and in particular whether to choose the certainty of law and regulation through the courts or the flexibility of discretionary regulation by specialised regulators (Nicholas Garnham,

⁷ Orders in Council were the procedure whereby companies were formed by Royal Charter as an exercise of the Royal Prerogative. The Privy Council authorises the incorporation on the advice of the minister and after the Cabinet has approved the principles. The BBC was created as a public corporation using this method (Dimmock 1933: 30).

Matthieu Joosten, Jenny Owen, 1994: 42).

It is an issue which remains as problematic in the 1990s as it was in the nineteenth century.

2.4 Public Service and reconstruction

The key period for the emerging concept of public service was the outbreak of war in 1914. The war had led to a vast expansion of state activities (though these were largely temporary measures) and military developments in wireless during this period had led to the establishment of a broadcasting industry in the early 1920s. Although many of the administrative changes which occurred during this period were reversed later on, the war was to have a profound effect on the way a modern nation state conducts its business and this was particularly the case as regards industrial and economic policy and management.

For instance, before 1914 what thinking was done on economic matters in government circles was confined almost entirely to the Treasury and the Board of Trade at the level of department officials. The academic study of economics was not widespread and there were no professional economists in the Civil Service. Equally there was no widespread collection of economic data nor any attempt to co-ordinate departments on the question of the national economy (F.M.G. Willson, 1957: 294).

In crude terms the war ushered in a system of 'advanced capitalism'. Large scale organisations which had been fairly rare prior to this period became increasingly common and businesses began to make use of new 'scientific techniques' in production and management, techniques which were emerging both in Britain and the USA.

These increasing concentrations of capital produced strong trends towards monopolisation in key areas and were accompanied by growing political pressure for electoral reform and social

policies. After the war Britain was faced with massive debts, increased world competition, shrinking markets for its goods and a population much less willing to accept the political and social inequalities of the past. Increasingly it seemed (to all political parties) that there was a need for some kind of national planning to solve these kinds of questions.

Despite these vast increases in government power in 1914, they were for the purposes of sustaining a siege economy, and were accompanied by an equally dramatic period of abandonment of these powers in the years following the Armistice. Thus the long term administrative rearrangements which occurred between 1914 and 1922 were as much to do with longer term trends and the realisation that scientific and technical progress was needed in both government and the wider economy.

However, the end of World War One did see the emergence of what is known as the 'reconstruction debate' and this debate raised key issues for future arguments about the nature of public service, both as an ethic and in terms of the kinds of institutions which might be able to deliver such a service. In 1917 a Reconstruction Committee was formed, which later was enlarged into a Ministry of Reconstruction with numerous departmental committees investigating economic and social questions. This ministry published a series of reports which fuelled the belief that there ought to be major changes in the administration and influence of the state, when the war ended.

However, what those changes would be were a matter for political contestation. Labour and the TUC, for instance, thought that reconstruction should herald in both nationalisation and union representation in management. It was in this atmosphere, for example, that the 17th Annual Conference of the Labour Party in 1918 adopted clause four of its new constitution.

To secure for the producers by hand or by brain the full fruits of their industry, and the most equitable distribution thereof that may be possible upon the basis of the common ownership of the means of production and best

obtainable system of popular administration and control of each industry and service (E.Eldon Barry, 1965: 197-200).

As far as the development of the public service concept was concerned however, there were two important committees. The first, dealt ostensibly with the problem of maintaining timber supplies in a national emergency (Final Report of the Forestry Sub-Committee of the Reconstruction Committee of the Ministry of Reconstruction, Reports for the Ministry of Reconstruction 1918, xviii.43., [Cmd 881]); and the second examined ways in which government departments could be made more rational and efficient. (Report of the Machinery of Government Committee, Reports for the Ministry of Reconstruction, 1918, [Cmd 9230]).

However, both committees' reports were influential because of the ways in which the national interest was used as a justification for increased state intervention, and for their concern with the issue of efficiency. It is possible therefore, to isolate, as early as 1917, two themes which were to emerge as key elements in the public service paradigm - the national interest and efficiency - both of which were packaged in terms of a vision of the 'positive' state.

The Forestry Committee for example, in its response to the severe shortages of timber which had occurred during the war (and the resulting need for importation) argued that 'remedial measures' would have to be taken in 'the interests of national economy' to ensure that this situation was never repeated. It concluded that 'forests are a national necessity' and in the 'interests of national safety' that the 'care of forestry' ought to be 'centralised in one body'. The resulting Forestry Authority should have the funds and powers

to survey, purchase, lease and plant land and generally to administer the areas acquired with compulsory powers to be exercised, when needed, after due enquiry and the award of fair compensation (Final Report of the Forestry Sub-Committee, 1918: 426-431).

The report also suggested that forestry offered work and

accomodation to returning soldiers; and that the training which had been offered foresters in the Forest of Dean since 1912 was an example of 'the ability of the state to conduct successful schemes of afforestation or provide effective management' (Final Report of the Forestry Sub-Committee, 1918: 435). Equally, the report argued that

If the forestry problem is one of national insurance of which the state is not justified in requiring private individuals to bear the burden it follows that the state must itself bear it (Final Report of the Forestry Sub-Committee, 1918: 454)

It was this kind of analysis of the role of the state which became increasingly dominant in the period and which made future state interventions a matter of precedence rather than innovation. Although in general groups with interests in forestry - the Royal Arboricultural Society, the Royal English Arboricultural Society, the Landowners' Cooperative Forestry Society (Scotland) and the English Forestry Association - were either supportive of the report or ambivalent about the need for state intervention, they were all clear that 'efficiency' and the 'national interest' required that something be done.

The Report of the Machinery of Government Committee on the other hand examined questions of reorganisation, rationalisation and efficiency in government departments. However, as with the Forestry report the subtext was a growing awareness that the activities of public services needed to be predicated upon an idea of the public good or benefit to the community. The report suggested a number of developments both in terms of administration and in the way policy ought to be formulated. Policy, it was urged, ought to be better prepared. Research and enquiry should be carried out or supervised by a 'department of government specially charged with these duties' and recruitment should be carefully monitored; while those in charge ought to devote more time to this 'portion of their duties'.

These needs had been first understood in 1915 when a new

department under the Lord President of the Council was formed to organise the knowledge required for the application of science to industry. The principle however, on which the reorganisation of functions between departments was to take place, was

distribution according to the nature of the service to be rendered to the community as a whole (The Report of the Machinery of Government Committee, 1918:8).

The report was also concerned to examine methods of political control and in so doing raised the issue of political accountability and how it was to be managed in a meaningful way. The 1918 report suggested that financial control within departments was fundamental to effective control by Parliament over public expenditure; but equally, there was an awareness of the problem of 'certain cases' where the 'constant criticism' of Parliament would make independence difficult. Examples given were the Road Board and the Development Commission and the report suggested that a board might be set up to 'examine all applications from industries for state assistance'. However, the report concluded in the strongest terms that the principle of Parliamentary accountability ought to be maintained:

we are so far from thinking that the importance of a service to the community is prima facie a reason for making those who administer it immune from ordinary Parliamentary criticism (Report of the Machinery of Government Committee, 1918: 11).

The report also accepted the need to secure public opinion more effectively and a key innovation was the suggestion that Advisory Committees be set up to secure and retain 'public confidence', providing they did not impede ministerial responsibility. Advisory Committees would help Ministers command the confidence of Parliament and the public 'in their administration of the services which seem likely in an ever increasing degree to affect the lives of large sections of the community' (Report of the Machinery of Government Committee 1918: 12). Later Advisory Committees would become a common mechanism within public corporations for dealing with the problem of public

opinion and public accountability. The BBC in particular, was a clear example of a public corporation which developed along those kinds of lines.

The primary object of the inquiry was therefore, to promote 'the efficient and economical working of the public services' while not unbalancing the relationship between the Legislative and the Executive. This issue of efficiency versus the need for political control was a key problem for both government departments and for the emerging public corporations and boards. Stress was placed, once more, upon the need for financial control of departments as a way of securing Parliamentary control and civil servants were to be encouraged to administer the services for the 'benefit of the community'. The report concluded that each government department needed proper expenditure proposals, unimpaired Ministerial responsibility, and 'co-operation with advisory bodies in matters which bring departments into contact with the public' (Report of the Machinery of Government Committee, 1918: 15).

Finally the report urged government to be aware that

a more efficient public service may expose the state to the evils of bureaucracy unless the reality of Parliamentary control is so enforced as to keep pace with any improvement in departmental method (Report of the Machinery of Government Committee, 1918: 16)

The suggestion that there should be developed a series of public corporations to replace the ordinary departments of state had been rejected (mostly because of the problems of accountability); however, as we shall see, the idea had taken root, and would find almost universal favour in the future.

Concluding remarks

The growth of state activity in the twentieth century has its roots in the Victorian past. The emergence of both direct state take-overs (nationalisation), the formation of independent or semi-independent administrative agencies (boards, public trustees and corporations) and the regulation of social issues (the poor, public health) can be traced back to this period. Then as now debates were held over the right mix between state regulation and 'free' market forces, between collectivist and individualist approaches to liberal democracy.

Then as now debates were held over the rationale behind public ownership, the responsibilities of administrative agencies and their accountability to Parliament. The result has been a typically incremental and ad hoc pattern of state activity which has led to uncertainty about the relative responsibilities of the private sector and the state sector for providing services, often resulting in administrative and organisational confusion (Pitt, 1980: 24).

There are lessons to be learned from these debates about individualism and collectivism which took place between 1880 and 1914. For example,

once individualism and collectivism are seen as polar opposites, the state as the sole vehicle for collective action, the complexities of real world political economies are necessarily reduced to the banalities of old-style state socialism on the one hand and new-style market fundamentalism on the other (David Marquand, The Sunday Times, 1995).

The point is not that neither individualist or collectivist approaches to political problems offer total solutions, but that liberal individualism does not of itself exclude state intervention or indeed, public ownership.

The public service concept for instance, as applied to the public utilities in general and broadcasting in particular, is

testimony to the way in which in the past 'collectivist' policies could be supported by individualists. This throws light on a contemporary debate and suggests that contrary to the arguments of the neo-liberal Conservative Right there is not a straight choice between collectivist and individualist approaches to the state in modern industrial societies. By the end of the 1930s this had been a question which seemed to have resolved itself; and limited public ownership in the form of the public corporation or board had become the practical expressions of the debate about the proper mix of free enterprise and state intervention within liberal democratic societies and how such states ought to be managed.

In this period public service began to assume not only a greater philosophical coherency but was also made more concrete as an administrative practice. For example, the key elements of public service philosophy were now embodied in documents which would in future extend the limits of the state's involvement in a wide range of areas. For instance, the creation of the Forestry Authority, as a result of the Final Report of the Forestry Sub-Committee, was proof of a willingness to accept that the state ought and indeed, could provide 'effective management' of some public resources, in the national interest.

The Reconstruction Committee reports were therefore, indicative of the extent to which public service philosophy had begun to infiltrate thinking about the administration and scope of the modern, industrialised state. In each case for instance, the acceptance that there was a concrete national interest, either in forestry, or in relation to the need for a more rational administration, was linked to the necessity of paying attention to public opinion and justified on the grounds of the public service idea of 'service to the community'. Meanwhile questions of efficiency and accountability emerged as organising themes for understanding and questioning the new role of government.

Thus, although by 1918 public service was not a coherent theory, the themes which characterised it were becoming increasingly dominant. By the early 1920s the idea of the national interest, the important role of public opinion, the necessity for efficiency were elements of a developing ethos of public service, which were soon to find expression in the institution known as the public corporation. It is to these developments which we turn in Chapter Three.

Chapter Three

Public service development in the 1920s: the influence of the philosophy of public administration and the growth of public corporations.

As we have seen, in the early part of the twentieth century public service was linked to broader administrative and institutional developments. In turn these developments were tied to the rapid expansion of the modern bureaucratic state and the perception by governments that in future they would need to re-think and possibly expand their sphere of influence and control as a condition of their survival.

After 1918 the key institutional development was that of the public corporation model of state intervention in the economy, and these public corporations represented an important stage in the development of a philosophy of public service. However, in this same period the public service idea was also establishing itself within the administrative departments of the state and was being articulated by a large number of influential politicians, civil servants and academics. This public service theory or philosophy of public administration was concrete and pragmatic; a philosophy which in retrospect appears as detailed and coherent as American public utility theory (Jean-Paul Simon, 1992).

3.1 Public service and public administration

In tracing the elements of this evolving public service philosophy the journal Public Administration has proved invaluable, for it is here that public service is defined as an ideal to be aspired to, as well as a description of contemporary practice. The journal was published by the Institute of Public Administration, and established in the same year as the Institute in 1922. It quickly became a forum for a debate regarding the interests and concerns of what might be termed the liberal/left political elite (but not exclusively so) and included

contributions from academics, politicians and civil servants.

The focus of the Institute's work was on both broad and detailed questions of public administration at local and governmental levels. In particular contributions were aimed at discussions about the administration and management of public utilities or services which could be defined as having a strong public interest rationale. These services included the railways, gas and electricity utilities, the postal service, telecommunications and broadcasting.

The aims of the Institute and the journal were threefold. Firstly, there was a clear desire to develop the study of public administration as a distinct academic discipline; secondly, there was a focus on monitoring the internal organisation of the existing public services - staff conditions, pay, training and more general management practices (office methods and conditions) including questions relating to the demarcation of function. Thirdly, these organisational concerns were underpinned by more fundamental issues relating to financial and political control within central government, between central and local authorities and within the publicly owned utilities (Index of the Journal of Public Administration, Vol.1, No.1, 1923: 3).¹

Key figures included men like Sir Henry Bunbury who argued that the Institute had formed under the influence of two conflicting movements affecting public services; the first he described as the new doctrine of Whitleyism or wage councils and their 'frank acceptance by the government of the day'; and the second, 'the strong reaction in the public mind after the war against public servants in general and the Civil Service in

¹ More generally the Institute was concerned with the relations between bureaucratic organisations and the public (publicity and propaganda), legislative functions, judicial functions, the economic sphere (the state in relation to finance, industry and agriculture), the state in relation to labour, public health, social benefits, public safety, international relations and the preparation of statistics and registers.

particular' (Public Administration, Volume XI., No.4., October 1933: 340).

In other words, on the one hand governments were increasingly accepting of the necessity of state intervention in the economy, and were committed to the creation of a more equitable society by creating institutions to monitor and control wage levels. While at the same time, they were also aware of a fear that these developments would lead to unaccountable and despotic rule by bureaucrats and officials.

The journal was characteristically reticent on the question of how these issues might be addressed politically; indeed, somewhat predictably, one of the first principles of the Institute was its denial of any political content to administration. The journal declared itself to be beyond party politics, reflecting perhaps, the climate of consensus.² This denial of political content meant however, that the issue of class was ignored. Indeed, class as an organising principle was effectively displaced by the public service notion of a shared code of gentlemanly behaviour, while party political affiliations were rejected in the same way as lacking in any meaningful significance. However, the idea that the administrators might constitute a political elite or interest group was implicit in their gentlemanly code; but, in a circuitous fashion, it was deemed not worthy of comment because gentlemen were always beyond reproach.

The denial of the political implied that there was no conflict between the gentlemanly ways of service and the principle of a democratic representative politics, when in fact

² See Dennis Kavanagh, 'The Postwar Consensus', 20th Century British History, No.2., 1992, OUP, for a critique of this notion of consensus. Also see K.Middlemass's argument about the tripartite corporatist consensus which ruled Britain from 1918 to the late 1970s. Middlemass's argument describes the role of public service broadcasting in that process as an institution of political and cultural hegemony (1979).

the gentlemanly ways of service were to some extent code for class privilege and power. The historian Harold Perkin has made this point powerfully, arguing that public service is essentially a conspiracy by and in favour of middle class interests (1989).

Contributors to the journal did nevertheless discuss more formal, political matters, but these were of a constitutional nature and focused on the role of the administrator in upholding and interpreting the British Constitution, and the part played by civil servants in the process of policy making. (R.M.Thomas, 1978: 22). Ultimately however, the journal's mission was to review

the efficiency of public services and the efficiency of public servants. In respect of the central question whether or not certain services should be controlled and conducted by public bodies [the journal] is silent. That question falls within the sphere of legislation, and administration begins after legislation has made its decision (Journal of Public Administration, Volume 1. No.1., 1923: 3).

Efficiency was a central theme. In general contributors did not subscribe to the technical definition of efficiency but to one which embraced the 'human factor'; and in theoretical terms it was this human factor which was a central thread in the theory and practice of public service, whether it related to departments of state, the various public utilities or to public service broadcasting itself.

The Institute of Public Administration was structured on a regional basis and held regular summer conferences, autumn programmes and conferences, as well as 'public service dinners' which were attended by local dignitaries and government ministers alike. The president, Lord Haldane, was a Liberal MP, education-
alist and the author of the influential Report of the Machinery of Government in 1918, which had addressed questions of administration and reconstruction after the Great War. The Treasurer, Sir Henry Bunbury, was not only Comptroller and Auditor General at the Post Office but also an influential committee member of the first broadcasting committee of inquiry,

the Sykes Committee, in 1923. Other founding members included, William, Lord Beveridge a Liberal MP and future architect of the Welfare State; Sir Josiah Stamp, a civil servant, economist and chairman of the London, Manchester and Scottish Railway (who succeeded Haldane to the presidency of the IPA following Haldane's death); Harold Laski (the socialist academic) and Fabian philosopher and political scientist, Graham Wallas.

The journal also drew on a range of political commentators including the guild socialist G.D.H.Cole; Stanley Baldwin the former Conservative Prime Minister (writing in 1934); the political scientist Ernest Barker; the Labour trade unionist, Ernest Bevin; Austen Chamberlain the Liberal MP; the political scientist D.N.Chester; Marshall.E.Dimock the American public administration theorist; Ivor Jennings the political scientist; John Maynard Keynes the economist (who contributed in both 1933 and 1936); Harold MacMillan the future Conservative Prime Minister (1938); A.C.Pigou the welfare economist (1925); J.C.W.Reith, director-general of the BBC (1930); W.A.Robson the political scientist and public administration theorist; G.H.Stuart Bunning; Stephen Tallents, secretary of the Empire Marketing Board, then Public Relations Officer for the Post Office Film Unit, and the British Film Institute; as well as Fabians Beatrice and Sidney Webb. Bunbury, G.H. Stuart-Bunning, Graham Wallas and Josiah Stamp were all regular contributors on a range of different subjects.

It is Bunbury however, who emerges as the key figure in the process of constructing the philosophy of public service. It was Bunbury for instance, who articulated the administrator's view of public service, arguing that 'the men who had established the British public administration profession, particularly the practising administrators, were pretty much out of the same mould. They believed in first principles and derived them to a large extent from the moral philosophy tradition'. These administrators, he argued, were 'part of culture and of leadership. Their distinctiveness comes from the fact that they

are servants and yet they have a central position in holding the country together and helping it to find its desired place in the sun....most of these men were of the liberal persuasion in the philosophical-historical meaning of that term, although they invariably chose to keep their own party preferences to themselves (Marshall.E.Dimock, 1978: xiv, in reference to Bunbury's contribution to the philosophy of public service).

The philosophy of public service has also been described as a philosophy of public administration (R.M. Thomas, 1978) which in its most salient features is virtually indistinguishable from a theory of public service. As with public service, it was articulated by public administration theorists and politicians; men such as Graham Wallas, Josiah Stamp, Lyndall Urwick, Oliver Sheldon, William Beveridge and Viscount Haldane. However, it was the American public administration theorist, Marshall.E. Dimock, who first drew the parallels between the philosophy of public administration and a philosophy of public service and who recognised the important contribution made by Bunbury.

For Dimock British public administrators and public administration were characterised by a sense of responsibility, by an ability to use their initiative, accountability, hard-headedness, balance and a 'belief in people rather than balance-sheets'. Equally admirable was the British system of devolved powers, or the practice of leaving the management of monopolies to an expert class of managers rather than trying to 'regulate them to death'. In Dimock's opinion this was simply the most efficient system that could be envisaged, efficient in both economic terms and in human terms (1978: xiv-xv).

It was Dimock for instance, who reflected that the philosophical influences on the architects of public service philosophy, had included the utilitarianism of Bentham and Mill, the Christian objectives of socialism, the technical rationality of Fabianism, mixed in with a dash of capitalist self-help. Although he observed that in general these men disliked labels

of any kind since they were possessed of a

strong feeling for the organic nature of the economy and the fact that every event in one part of it is inevitably registered in every other part. The ideal was to encourage common citizens to govern themselves by learning as much as their leaders, and applying it in their daily pursuits (Marshall.E. Dimock, 1978: xvi).

The philosophy of public administration was an imaginative mix of organisational theory and human relations theory, one which resulted in the 'unification of scientific principles with ethical ideals' (Marshall.E. Dimock, 1978: viii). The parallels with broadcasting are striking; in much the same way John Reith's public service broadcasting emerged as the practical expression of an attempt to combine technological and scientific principles (for instance, spectrum scarcity and notions of administrative efficiency) with a system of ethics, 'high' culture and cultural and moral values.

According to Dimock, the British and the American public administration tradition shared the moral philosophy perspective of thinkers as diverse as Plato, Aristotle, Cicero, Justinian, Rousseau, Locke, Hume and John Stuart Mill; and the essence of this approach was that

power corrupts and that the antidote is service, that the justification of price is service and efficiency, that breach of trust is never forgotten by the public, and that a meritocracy is the only sure road to public confidence and the firm's survival (Marshall.E. Dimock, 1978: xvii).

British administrator were much to be admired; they were professional in terms of their jobs but laymen in terms of outlook, personality and attitude. They were pragmatists, men who like Bunbury and Haldane, subscribed to Leon Duguit's aphorism, 'the very purpose of administration is to get things done' (Marshall.E. Dimock, 1978: xviii-xv).

3.2 The principles of public service

The key elements in the philosophy of public service articulated by the administrators and writers of the 1920s and 30s included the following: a demand for efficiency in its widest sense and a belief that 'efficiency' could in itself act as a mechanism of public control or accountability, an attachment to the idea of progress - both economic and societal and an understanding that public services should be both available to all and universally useful in some way (as well as an understanding that these developments were symptomatic of changes in the role of the state in modern democratic societies). Key words were 'rational', 'scientific', 'ethical', 'organic', 'meritocratic', the 'community will', 'education' and 'civilisation'. Indeed, the whole point of the philosophy was that public service was a civilising force and would produce a qualitatively better society in the future.

Public service philosophy did not however, possess 'abstract principles'; indeed, it made a virtue of its pragmatism. Graham Wallas for instance, made the point that although Aristotle, Hobbes, Locke and Montesquieu were very interesting to read they were not much help when trying to develop Poor Relief or in trying to decide what to do about the Gold Standard (Graham Wallas, 'Government', Public Administration, Volume VI, No.1, 1928).

This was entirely characteristic of the public service approach; and most of what these men wrote suggested the musings of practical men normally concerned with the day-to-day operation of Civil Service departments or public utilities and not given to philosophical speculation. As such their analyses lacked the rigour one might expect from a more academic approach but had the

benefit of candour and enthusiasm.³

At the heart of the philosophy was a commitment to the importance of education in the modern world. Haldane wrote for instance, that

the modern state [if] it is democratic in constitution and industrial in occupation can only survive if industry, its professions and its administration are conducted by men and women with ideas (Obituary, 'Lord Haldane: His Influence on Higher Education and Administration, Public Administration, Volume VI, No.4, October 1928).

Ideas of value, he thought, were most likely to emerge from the universities and he contrasted the role he believed ideas played in creating efficient administration to the penchant of Continentals for those same 'abstract principles' (Obituary, 'Lord Haldane: His Influence on Higher Education and Administration, Public Administration., Volume VI., No.4: 350, October 1928). Quite how 'ideas' differed from 'abstract principles' it was not clear; but again this was characteristic of the Public Administration approach - hostile to 'Continental theory' and firmly rooted in British pragmatism. In a sense it was this pragmatism which lay beneath the entire project of public service, and which gave it its 'coherence of vision'. For some however, the British approach was evidence of a complex vision of society, a sociological theory to match that of men like Weber (R.M. Thomas, 1978).

Public service was also predicated on arguments about science and progress; a response perhaps to fears about the future direction of society. It was feared for instance, that modern industrial society might disintegrate scientifically and politically, that the human sciences were lagging behind the

³ This pragmatic approach was also reflected in the style in which contributions to Public Administration were written. Most began life as lectures delivered to public audiences, and were written in a non-academic style without footnotes or accurate references to the written works of other writers. This continued to be the case up until World War Two when a more formal, academic and rigorous style began to be introduced.

natural in the race to understand the world, and that a world primarily conceived by economists and aimed principally at economic progress would eventually destroy itself. Josiah Stamp for example, was very concerned about the impact of science on society; in his opinion scientific discovery had 'no moral or ethical quality and it is easy to assume that every new revelation contributes to progress' (R.M. Thomas, 1978: 153-155).

This emphasis on science and progress was part of a much wider debate which had its roots in the Enlightenment; and included a concern to understand what held societies together and what society actually was. In the twentieth century in Europe and North America there has been a concerted effort to try and discover the laws governing social behaviour, similar to the efforts that had been made in relation to the natural world in the nineteenth century. In Britain however, the orthodoxy has been that social theory has not achieved the stature of the European sociology of Max Weber, Vilfredo Pareto or Emile Durkheim.

British sociology for instance, has been described as 'shallow, eclectic and methodologically naive...distorted by the British impulse towards moralism and social reform...fatally immersed within the toils of domestic and imperial public administration' (Jose Harris, 1993: 221-222). While it may not be possible to argue that the philosophy of public service is equal to European sociology in its ability to describe the social world, it is nevertheless the case that public service in this period was emerging as a coherent set of ideas which attempted to order and understand contemporary society.

The search for macro-solutions to the problems of administration not only implied an increasingly corporatist approach to political and economic problems but was allied to a growing interest in the progress of the individual or personal development. (R.M. Thomas, 1978: 155). In this way public service was concerned about society as well as the 'character' of

individuals; and an ethical framework for the Civil Service, industry and public corporations was envisaged which would embody these values (R.M. Thomas, 1978: 138).

Graham Wallas's approach for instance, was socio-psychological, marrying ethics and science, and based on his arguments about the need for human happiness, which had been derived from his interpretation of the ancient Greek concept of harmony of the soul. Wallas's happiness as a basis for an ethical society, was not however, the same as the happiness of Jeremy Bentham and he

realised that to aim at man's happiness in organisational life was not a guarantee for attaining the good of society. Nevertheless, the production of happiness would be more likely to achieve the social good than aiming simply for the production of wealth or other organisational goals (R.M. Thomas, 1978: 147-151).

Lyndall Urwick on the other hand, concentrated on the question of business administration and came to the conclusion that the end of industry must be the 'good life' whatever the economic consequences. Human creativity was therefore, a means to this end (R.M. Thomas, 1978: 151).

Meanwhile Oliver Sheldon in The Philosophy of Management (1923) argued that the 'community will' was necessary for real societal changes to occur. To this end management needed to help the community to become better educated, and until the day when democracy and mass education were achieved it was the role of industrial management to 'set the tone of national ideals...if industrial leaders are self-seeking and devoted only to material ends national ideals will tend to follow a similar path' (R.M. Thomas, 1978: 152-3).⁴

Sheldon believed that it was up to the state or the

⁴ In the light of current concern over the pay and share option deals of the higher management of the newly privatised public utilities, this seems rather prescient.

leadership to shine light on other ideals in society so that the 'Kingdom of Heaven' could be built on earth. This Christian view was shared by Stamp, whose goal was to build a higher form of society, one based on 'equilibrium' or balance (R.M. Thomas, 1978: 153-155 and in 'The Administrator and the Planned Society' Public Administration, Volume XVI, 1938: 3-22).

Harold Laski, G.D.H.Cole, Herman Finer and Graham Wallas located their analysis of the 'English' tradition of public service within a broader understanding about the future of the state. Laski and Wallas for instance, considered the notion of the 'positive' state and while Wallas concentrated on the improvements which had occurred in administrative practices, Laski expressed concern for the direction in which increased government control was going. Meanwhile Finer argued that state intervention and centralisation were not particularly recent developments and that it had been laissez-faire which was 'temporary and local' and an exception to state control ('State Activity before Adam Smith', Public Administration, Volume XI, No.2, April 1932).⁵

Wallas had elaborated on the growth of the positive state in his essay 'Government' (Public Administration, Volume VI, No.1, 1928). He noted that all 'the civilised communities of the world' were moving from a position where the functions of government had been largely negative to one where they were largely positive:

Governments have come to be engaged not merely in preventing wrong things from being done but in bringing it about that

⁵ Harold Laski pointed out that the positive state - which was the result of increasing legislation to do with 'vast areas of social life' - had led to a 'corresponding increase in the power of the executive'. In his view there had been a 'wholesale transference of control from Parliament to the departments' and that 'Parliament may legislate but it does not govern'. He concluded that the tendency was inevitable and the 'real problem [was] the erection of safeguards against its abuse' ('Growth of Administrative Discretion', Public Administration, Volume 1, No.2, 1923: 92-93).

right things shall be done.

At first his argument appears technologically determinist, locating the cause of this development in the growing complexity of human society which had

[resulted] from scientific discovery. It is because the village carrier turned into a vast railway system, the miller's wheel into a vast system of electric power, the village moneylender or the private bank of the market town into the vast system of international credit, that Governments have found themselves compelled to be positive ('Government', Public Administration, Volume VI, No.1: 1928: 3-9).

However, he also understood that technological development was neither inevitable or beyond human control; technology could be shaped to human and ethical ends if the political will was there to ensure it. For example, in his opinion the railways would

be more efficient today if there had been some intelligent government direction to the process of development, but Sir Robert Peel would not allow what he called 'the torpid hands of the State' to interfere (Public Administration, Volume VI, No.1, 1928:3-9).

In Wallas's estimation public service philosophy had its roots in the nineteenth century and in the administration of Britain's colonies. It was this experience, which he believed had been the blueprint for the positive state in general and for public services in particular. The administration of India for instance, had taught the British an important lesson; that recruits to the service had to be carefully trained or the Board of Control risked the ultimate sanction, the 'possibility of the disappearance of their Empire in India' (Public Administration, Volume VI, No.1, 1928: 3-9).

It was not simply the case that the East India Company had had to employ particular strategies to control corruption; but the experience of administration at such a distance, and over such a vast enterprise had provided successive British governments with a particular kind of expertise. The experience

had also drawn British governments into a series of unique alliances with a commercial company thus demonstrating at first hand that it was not necessary for the state to own an institution in order to impose regulation on it. The Indian experience also left its mark on individuals, on administrators, civil servants and politicians, people who would later influence reform in the civil service and shape professional codes of behaviour.

For example, a major influence behind the reform of the Civil Service in the 1850s had come from Sir Charles Trevelyan, who had been a brilliant young Indian civil servant, and as a mature official had been placed with the Treasury to help advise the government on organisational matters. Trevelyan later joined up with Sir Stafford Northcote and together the pair, in the wake of the European revolutions of 1848 and the breakdown of 'the administrative side of our services' in the Crimean War (which had led to agitation for administrative reform sweeping the country) 'altered the foundation of the Civil Service, so that it was positive, based on what ought to be done, instead of merely doing that which must be done' ('Government', Public Administration, Volume VI, No.1, 1928: 8). Jeremy Bentham's Outline of a Constitutional Code (1832) had proposed recruitment to the Civil Service by competitive open exam and special scholarships to prevent domination by one class, but it wasn't until the Northcote-Trevelyan report that these ideas were put into practice.

By the late nineteenth century these ideas about the importance of administrative efficiency based on the open and competitive examination were linked to a number of developments. Firstly, there was a growing perception that industrial society would need institutions and structures capable of dealing with a high degree of complexity; the rise of bureaucracy and administrative efficiency in Prussia, as outlined by Weber, was understood as a clear response to this.

Secondly, there was the 'idea of science' and the need for 'scientific government'. While there was some concern to create forms of scientific management in Britain, there was also much scepticism about it. ⁶ Wallas pointed out that scientific management put too great a stress on economic incentives at the expense of other factors which were responsible for creating human happiness, such as personal liberty. ⁷

Like Wallas, Herman Finer was concerned to place public service and the state in an historical context. In a paper entitled 'State Activity before Adam Smith' (Public Administration, Volume X, No.2, April 1932: 157-169) he argued that before the publication of Smith's Wealth of Nations, which was so inimical to State activity, it was seen as quite proper for the State to regulate human activity through Parliament or the King.⁸ In Finer's view it was mercantilist ideas which had begun the process whereby the 'national' welfare was elevated above the welfare of individuals; and that this had led to a more

⁶ Scientific management is generally attributed to the work of the American F.W.Taylor in The Principles of Scientific Management (1911). It was Wallas amongst others who led the British opposition to what was seen as Taylor's over-reliance on mathematical calculations and the speed with which work was carried out. A British Government report Time and Motion Study (1923) agreed with this critique (R.M. Thomas, 1978: 13) and inevitably Taylorism was generally opposed by British trades unions.

⁷ Wallas's concern about the effects of monotony on workers in his book The Great Society: A Psychological Study (1914) was also given consideration by the influential Committee on the Health of Munitions Workers in 1917. (R.M. Thomas, 1978: 14).

⁸ Finer described how the process of mercantilism had led to the expansion of the state. In his view it was under the reign of Elizabeth the First that the State began to develop its role as regulator by using the Statute of Artificers which sought to regulate conditions of apprenticeship, choice of employment and pay, a system whereby Justices of the Peace were made local administrators. He noted also that by the end of Elizabeth's reign Poor Relief had been given a permanent administrative locus in the parish, and sources of relief were made an obligatory tax, while the Privy Council devised ways and means of supporting an ordered social and economic system.

active state, one which was engaged in permitting some things and forbidding others, a process which often led to trade wars.⁹ Significantly, Finer also believed that mercantilism should be considered a branch of administrative activity rather than an economic doctrine; and that it was only when manufacturing developments occurred at home in the late eighteenth century that mercantilism began to be seen in terms of an economic activity, and ultimately became obsolete.

Sir Henry Bunbury on the other hand, charted the development in the course of the nineteenth century, of a laissez-faire 'individualistic' approach to the state; one which increasingly centred around the importance of education. Bunbury admitted that this was not a universally held belief, especially by writers like Sir Herbert Spencer who had denied that the state should be responsible for the mental culture of its citizens because society was a product of 'organic' development and not one that could be 'manufactured'. In Bunbury's opinion however, laissez-faire in the matter of education had not prevailed, simply because in the end 'even strong individualists acquiesce in the necessity of State education' ('The Economic Regulation of Public Utility Services', Public Administration, Volume IV, No.3, July 1926: 233-237).

Public service, for these public administration theorists, had a strong ethical foundation, and this ethical approach was exemplified in arguments about service. Haldane and Sheldon in particular, analysed this conception of the ethical ideal of service to the community. Sheldon recommended it to private industry while Haldane recommended it to civil servants as the best way of fulfilling their duty to the state. Haldane argued that 'the dominant common object ought to be the service of the public in the most efficient form practicable. Virtue is its own reward here as elsewhere' (R.M. Thomas, 1978: 156-159).

⁹ Finer suggests examining Weber's General Economic History, Chapter XXIX for further elucidation of this point.

Haldane even suggested an esprit de corps based on this idea of service, an ethic which depended on the 'non-economic motive of self-sacrifice'. In his view organisations already exhibiting this spirit of self-sacrifice for public duty were the British Navy and Army; self-sacrifice being inculcated by education and tradition, 'a tradition which sacrifices the life of the individual for duty to the State' (Thomas, 1978: 158).

Oliver Sheldon spurred the industrial management of Britain towards a similar goal. This idea of service to the community had gained concrete moral expression at Seebohm Rowntree's Cocoa Works in York and it was Rowntree's notion of community service by industry which Sheldon adopted.¹⁰

Sheldon divided his notion of service to the community into two parts: the first, management's relation to the community and the second, management's relations with its own workers. In the case of the former he associated three objectives with service to the community - that industry should create goods or provide services of such a type that will benefit the community; that in the process of wealth production industry should look to the general welfare of the community and pursue no policy that is detrimental to it; that industry should distribute the wealth produced in such a manner as to serve the highest ends of the community. In this way goods were seen to possess both an ethical and an economic value.

Efficiency was not to be judged by scientific standards alone but by the supreme standard of communal well-being. In the case of the management's relations to its own workers Sheldon argued that factory life and life in the community outside were inextricably linked and there was no reason to suppose that the economic relation should have priority over the social; secondly, he believed that management must understand the various ties

¹⁰ In 1918 Quaker employers including Rowntree proposed that business should adopt an ethic of service and the Rowntree Factory was a model for this (R.M. Thomas, 1978: 159).

workers had as parents, voters and citizens and that workers should be given more leisure time; although he defined leisure as 'scholē' meaning schooling or education (R.M.Thomas, 1978: 159-161).

There was however a subtext to these arguments. For instance, both Haldane and Sheldon were concerned to prevent the Civil Service and industry from becoming dominated by the trade unions. Just as the concept of efficiency was to be used as a substitute for control or accountability, service it seemed could be used to skirt the dominant interests of management and unions. The ideal of service for communal well-being was to be placed before all other considerations. However, neither Haldane or Sheldon offered much in the way of practical guidelines as to how this might be achieved. Haldane seemed to put his faith in higher education, while Sheldon never fully explained how the 'community will' was to be ascertained. Indeed, Sheldon rather assumed a 'consensus of opinion among management and the community on highly charged ethical issues' (R.M.Thomas, 1978: 162).

On the question of an idealised administration working towards the happiness and well-being of workers the influence of the Quaker reformers is evident; however, public service style solutions to problems of organisation and management also emerged from a number of bodies which included the Ministry of Munitions, the Industrial Fatigue Research Board and the National Institute of Industrial Psychology. Meanwhile, those writing in the public service tradition suggested a range of ways in which industrial society could be made more comfortable for workers.

Wallas for example, stressed that unhappiness lay in monotony and the repetition of movements and that happiness lay in social groups, self-respect and non-economic motives (R.M. Thomas, 1978: 167) and Urwick focused on the importance of small groups; while Josiah Stamp argued that non-economic incentives were necessary for the establishment of a Christian order (R.M.

Thomas, 1978: 169-170). Service to the community, the alliance of the scientific with the ethical, notions of education, self-sacrifice, duty; the inherent power of ideas to change social and economic conditions. These were the principles at the heart of public service philosophy.

It was the antithesis of a Marxist approach which locates everything, at least in the final analysis, in the economic. Indeed, for the proponents of public service, their greatest wish was to distance themselves from both unions and management and appeal to the community beyond such 'interest' groups. Economy and value for money and thrift were important but only within the context of wider human values. Industry was not simply about making things or offering a product for exchange. Everything was connected - society was organic - industry was important but only in its relation to the community. Traditional politics and interest groups were side-stepped and the appeal was to the organic community of individuals. In this sense public service was actually a rather individualistic concept.

Administrators (in both state and industry) saw their role 'as part of a culture of leadership' and understood that if they wanted to continue to occupy these elite roles they would have to justify themselves to the electorate. The notion of class was no longer sufficient for this purpose, but the notion of service, with its stress on human relations, was found to be a highly flexible and useful substitute.¹¹

¹¹ Raymond Williams (1958) argued from the opposite perspective; from the point of view of those whom the elite groups sought to control. For him the idea of service to the community was no real 'substitute for the idea of active mutual responsibility'.

3.3 The principles of public service broadcasting

In this context it is clear that public service broadcasting did not emerge in the form that it did by chance nor was it simply the product of the 'individual' genius of John Reith; although he was instrumental in articulating the BBC's particular public service character. Broadcasting as a public service was part of a larger whole, an aspect of public service philosophy; and it is to public service broadcasting and its relationship with public service philosophy that we now turn.

Public service broadcasting's debt to the ideal of public service is evident. The principles of public service included a commitment to efficiency in its widest, non-economic sense, to the idea of science and progress, to universal access, to education, to the expression of national ideals; it was to be meritocratic, expressive of the community will, and a civilising force in society. These characteristics were also descriptive of the Reithian approach to broadcasting.

Reithian public service broadcasting spans the period from 1922 to the end of the monopoly in 1954/5; and Reith, for example, was quite clear in his own mind that broadcasting was commonly understood to be a public service prior to the BBC becoming a corporation in 1926. Indeed, in his 1924 book, Broadcast Over Britain, he described public service as an ethos first, and as an institution second.

Although he was clearly influenced by the ideas of Sir Henry Bunbury and the Public Administration writers, it was nevertheless, Reith who was instrumental in defining the BBC's institutional character as a public service (though his attitudes were largely shared by those responsible for policy making). Reith argued that broadcasting should be protected from purely commercial pressures; that the whole nation should be served by the service; that there should be unified control (or a monopoly); and high programme standards. These were views which

were largely shared by his contemporaries (C.A.Lewis, 1924; A.R.Burrows, 1924; P.P.Eckersley, 1941).

It was Reith however, who gave public service broadcasting its distinctive flavour. For him broadcasting had a specific cultural and moral mission and it was the unquestioned duty of the educated and cultured elite of broadcasting to enlighten the public as a whole. This involved not 'giving the public what it wanted' because 'few know what they want, and very few what they need' (J.C.W. Reith, 1924: 34). In fact, Reith's vision involved a definition of democracy which effectively excluded the idea of popular choice, in that it denied that popularity could be the final arbiter of culture (D.H.LeMahieu, 1988: 146-147). In Reith's opinion only a monopoly run by 'experts' or professionals could assure high standards.

Between 1922 and the outbreak of war in 1939 broadcasting was therefore, viewed as a public service on two counts; firstly, because of its relationship to the public service institution (the monopolistic private company which was evolved into the monopolistic public corporation) and secondly, because of broadcasting's social and cultural mission, and its articulation of certain public service ideals. However, public service broadcasting was never formulated in specific terms, though aspects of what we generally understand by the term did emerge. For instance, committee members on the 1923 Sykes committee spoke of broadcasting as being 'public property' and as having an 'educative' and entertainment value. They argued that the 'ether should be worthily occupied' and that broadcasting was 'an obligation and not a right'; however, they did not offer a simple definition of the term.

Subsequent committees came no nearer to a straightforward definition. In 1926 the Crawford committee, which was responsible for recommending that the BBC be set up as a public corporation, stated in its report that the BBC should 'act as Trustee for the national interest in broadcasting', that the governors should be

persons of judgement and independence, free of commitments with 'no other interests to promote than those of the public service'; that programmes would 'never be used to cater for groups of listeners, however large, who press for trite and commonplace performances', and that programmes should cater 'for all classes of the community'.

The Ullswater report of 1935 focused on the need for broadcasting to allow for the 'public interest to predominate' and this was largely understood as preventing the profit motive from intruding; and the Beveridge report in 1951 articulated the view that broadcasting should be regarded as a public service because it had a social purpose which was not for sale like any other popular commodity. For the Beveridge committee, it was the duty of the broadcasting authority not 'to please the greatest possible number of listeners but to keep open the channel for communication of ideas of all kinds, popular and unpopular' (Beveridge report, 1951: 52).

Beveridge viewed public service broadcasting very much in terms of arguments to do with public utilities; so for instance, it looked at broadcasting in relation to the other monopolies in coal, electricity, gas and transport. In particular, the committee examined the question of public control, and considered the idea of strengthening the boards and giving them a more 'business-like character' (Beveridge report, 1951: 164).

During the Reithian years broadcasting had been viewed as a public service because of the public service ethos as well as the institutional nature of the corporation itself. However, although public service broadcasting was not historically dependent on the monopoly, or indeed on the BBC, once the monopoly was ended broadcasting's relationship to the notion of public service became much more problematic. Broadcasting was no longer tied to a single public service corporation and although the Television Act of 1954 instituted the Independent Television Authority (ITA) as a public authority, the introduction of the

profit motive and the end of the monopoly meant that there was growing confusion as to what constituted public service broadcasting.¹²

The Pilkington committee (1962) was the first committee of inquiry after the monopoly had ended, and this was reflected in its approach to public service. Pilkington was in effect fighting for a lost cause. It pleaded for a continuance of the old ways and stressed the fact that both the BBC's Charter and the 1954 Television Act referred to the public service trinity of information, education and entertainment. Pilkington argued that the public service concept had always envisaged a

service comprehensive in character and that the duty of the public corporations had been, and remained, to bring to public awareness the whole range of worthwhile, significant activity and experience (1961: 9).

Most importantly the committee stressed that the concept had never been one which had been carved up by the various different interest groups in society (as was the case with some European public service broadcasters).

The Annan report of 1977 signalled important changes for the public service concept; changes which were developed further by the Peacock committee in 1986. Annan's approach, it was argued, was reflective of the fact that there had been significant developments in society. In particular, the committee had found itself faced by hostile interest groups - commercial and cultural - opposed to the current system of public service broadcasting and the cultural elites which were perceived to be in control. In effect the idea expressed in the Pilkington report, that public service should not be shared out by groups with 'a claim to communicate', was no longer tenable.

¹² This was and remains a difficulty with the notion of public service broadcasting. Public service programmes are, for example, to some extent what the broadcasters tell us they are; and as Annan pointed out in 1977, it is difficult to imagine a programme which does not inform, educate or entertain in some way.

By the 1970s therefore, the concept of public service broadcasting had begun to mutate. In Annan's view the Reithian idea of public service could no longer be accommodated. It was a rejection of the idea that social and moral objectives could be formulated, agreed and imposed on broadcasters and the public, or that broadcasting was a form of social engineering. At the same time, Annan (perhaps naively) found it hard to imagine programmes which did not in some way inform, educate or enrich their audiences - in other words, programmes which were not public service in orientation.

The committee also rejected the view that the real issue facing public service broadcasting was 'control' or accountability or that the problem was that broadcasters possessed overweening power to 'set the agenda' or 'define reality'. Public service broadcasting was reformulated as 'good' broadcasting, of which there were four requisites - flexibility, diversity, editorial independence and accountability.

In the past, said Annan, a commitment to public service had sprung from a

clear sense of what culture should mean. This was interpreted before and immediately after the war largely through the eyes of an intelligentsia within the BBC who shared the assumptions of those educated at Oxford and Cambridge. But once commercial television was introduced the kind of broadcasting which both Reith and Pilkington advocated shrivelled. It was no longer possible to treat broadcasting as setting exemplary standards and providing cultural guidance from which the individual could learn to interpret and come to terms with his environment. Loyalty to the idea of public service gave way to a loyalty to the concept of professionalism (1977: 80)

Annan didn't think that this was entirely unproblematic, indeed it criticised the BBC for what it described as organisational failure; and greater public accountability was stressed as the means of redressing the balance.

In many ways therefore, the Peacock committee was building on changes of emphasis set down almost a decade earlier; and as

we have seen, Peacock offered a deceptively simple definition of public service broadcasting: 'simply any major modification of purely commercial provision resulting from public policy' (1986: 130); and as we have seen, this definition fails to describe the complex ways in which public service broadcasting has been understood since its inception in 1922.

This question will be explored more fully in Chapter Four, but for now we turn to the way in which public service in its next significant phase became linked to the development of public corporations.

3.4 The growth of public corporations

By the early 1930s some important developments had occurred in the way the public service concept was understood. In particular it was increasingly linked to the growth of public corporations, which were the dominant form of administering public utility services.

Public corporations, had been developed in spite of the views expressed by the Report on the Machinery of Government (1918) that Parliamentary accountability ought to be protected at all costs. Instead, political expediency and the practicalities of managing the public utilities in the national interest combined to encourage the growth of semi-autonomous bodies, boards and public corporations. More generally, as one contemporary commentator suggested, public corporations had not developed because of 'abstract principle' but because Parliament had been 'confronted with a practical situation in urgent need of amendment'; namely the demands of advanced monopoly capitalism, increasing competition and the globalisation of markets (T.H.O'Brien, 1937: 293). These conditions had led to the view that modern nations would need to rationalise their economies in order to compete on world markets and combat unemployment. The public corporation was conceived as one method

by which the needs of a rational, efficient economy as well as a democratic society could be fulfilled.

Public corporations attracted considerable academic interest in both Britain and the USA (Marshall.E. Dimock, 1933: W.A.Robson, 1937: Terence O'Brien, 1937: Lincoln Gordon, 1938).¹³ As the conviction grew that the state should be responsible for relieving economic distress as well as for the commercial and industrial future of the country, public corporations began to be regarded by politicians of all shades of political opinion, as the most important institutional mechanism for securing the public interest in the economy and society.

The Conservative Party has not only approved the principle, but has been responsible for the creation of the Metropolitan Water Board, the CEB and the BBC. Conservatives often argue that the public utility trust will protect investors from the arbitrariness of future governments and safeguard commercial management. The Liberal Party has declared that the public trust constitutes the ideal form of public utility control and was responsible for the creation of the PLA. Liberals discover in the public utility trust a reconciliation of public ownership with efficiency of performance and enterprise (Marshall.E. Dimock, 1933: 54).

3.5 Public corporations and the public utility trust - questions of accountability and efficiency

The simplest definition of a public corporation is 'a body incorporated by Act of Parliament, Royal Charter or other instrument of government endowed with powers and duties to provide goods or services' (Blackwell Encyclopaedia of Political Science, 1991: 509). It differed from the two other main forms

¹³ These writers examined a wide range of public service or public utility organisations including the Port of London Authority, the Forestry Commission, the Central Electricity Generating Board, the London Passenger Transport Board, the Coal Mines Reorganisation Board, the Agricultural Marketing Boards, the organisation of the Co-operative movement, the Post Office, and the BBC.

of public administration in which power was either vested in a minister or in a local council elected by voters for a limited area:

The essence of the concept of the public corporation is that it is not accountable to a minister for its day to day operations and therefore not answerable to Parliament in detail for those operations, nor is it directly accountable to the electorate (Blackwell Encyclopaedia of Political Science, 1991: 509).

The public corporation was a variable constitutional form and was developed not only in Britain but in Victoria, Australia (where it was claimed as a significant contribution to state socialism, cf. F.W.Eggleston, 1932) as well as in the United States. President Roosevelt, for instance, when recommending the formation of the Tennessee Valley Authority to Congress in 1933, referred to it as a 'corporation clothed with the powers of government but possessed of the flexibility of a private enterprise' (Blackwell Encyclopaedia of Political Science, 1991: 509).

In the USA there had been a continuous and extensive political and economic debate about how to achieve the right balance of regulation; this was partly because of the American system of judicial supremacy and independent regulatory commissions (which were in marked contrast to the British tradition of parliamentary omnipotence). For this reason the USA had developed concrete legal definitions of public service, while in Britain these had simply not developed in the same way. For example, Parliament did not have to satisfy the courts that certain conditions existed before public intervention was recommended.

Until recently, the orthodox view has been that Britain lacked the kind of concrete analysis of public service that had been forged in the USA. However, as we shall see, this was simply not the case. In Britain by the middle of the 1930s public service was as concrete in theoretical terms as it was in practical.

Public corporations were extremely flexible in their structure and appeared in a variety of different forms. Some were a mixture of commercial and municipal undertakings, some were statutory companies under regulatory control, others were public authority undertakings or public utility trusts. (Marshall.E. Dimock, 1933: 28). Many were known as 'mixed undertakings' comprising of private and public capital. Some public utilities were owned by private individuals (such as ferries) but these had largely disappeared by the 1930s. All however, had one thing in common, a strong public interest rationale. Using this schema, the Post Office was a public authority undertaking, the railways statutory companies under regulatory control, and the Central Electricity Board and the BBC were public utility trusts.

The power to establish public utilities lay with Parliament but it was Ministers who had developed important powers as a result of these new duties. Powers to set up public utility authorities were derived from Special Acts of Parliament, General Acts, Orders in Council, Provisional Orders and Special Orders. In the case of the last two, Parliament had to confirm the action with the appropriate government department.

The principle method of creating a public utility was through the use of Special Acts, which were also known as Private Bills. These consisted of hearings before a select committee; and if the application was accepted an Order by Parliament was essentially a formality. This type of legislation conferred both a franchise and set down regulatory standards. General Acts authorised the carrying of public service undertakings without the necessity of special sanction. This power was given to the municipalities by the 1875 Public Health Act in order to establish water and gas supply where there was none. The London Passenger Transport Board, the Central Electricity Board and the Port of London Authority, were all similar cases. Clause Acts developed so that large groups could be adopted on bloc without having to pass act after act (Marshall.E. Dimock, 1933: 29).

Orders in Council was the procedure where companies were formed by Royal Charter as an exercise of the Royal Prerogative. The Privy Council authorised the incorporation on the advice of the minister concerned and with Cabinet approval. Until the creation of the BBC in 1927 this had not been used for many years. Provisional Orders were often used as a substitute for Private Bill procedure. The company or public authority went to the appropriate government department, where after a number of hearings and investigations, powers were granted or refused. The minister's action was later confirmed by Parliament as a 'matter of course'. Special Orders were similar to Provisional Orders except that they were a special administrative procedure employed by the gas and electricity companies. Prior to the Electricity Supply Act of 1919 these would have been considered by Provisional Order procedure or by action of Parliament. Parliament retained the right to reconsider these Special Orders but never did so.

Pressures of time and lack of expertise meant that increasingly Parliament had found itself delegating powers of control to the administration; as a result success for potential applicants became increasingly dependent on positive departmental reports. (Dimock, 1933: 30, citing W.Ivor Jennings, 'The Report on Ministers' Powers', Public Administration, Volume X., 1932: 333 and W.A. Robson, Justice and Administrative Law, chpts iii, vi, London, 1928). This also led to a highly centralised system, one in which local authorities were largely stripped of their autonomy, despite the fact that there was widespread support for municipal ownership of the utilities. Contemporary observers argued that limited companies operating under a limited monopoly, such as, water, tramways and gas, were rather inconsistent in the services they offered, but that electricity, being a 'public service, offered consumers safer and cheaper services' than either gas or water (Marshall.E. Dimock, 1933: 41-44). Public utilities therefore, offered distinct economies of scale when they were centralised as well as offering a national service.

Public utility trusts included the Port of London Authority and the London Passenger Transport Board. These were created by Parliament, which defined the principles of their conduct, stipulated the methods of choosing directors and exercised ultimate control over their actions by means of the right to revise the terms of the Act under which the Public Trust was created; however, the internal management of these trusts was wholly independent.

Public trusts took several forms. The Port of London Authority (PLA) for instance, had been established by Parliament in 1908 after five successive different forms of organisation had been attempted (Marshall.E. Dimock, 1933: 46-47).¹⁴ As a public trust it was distinctive because of the fact that its board members were elected (Marshall.E. Dimock, 1933: 47).¹⁵ The PLA's board had impressive financial responsibilities but had been criticised for being 'slow in action and administration' and for dues and charges which were 'oppressive': and although, it had fulfilled 'the intention of Parliament that it should improve the Port', the contradiction between its commercial functions and its public trust status remained (Marshall.E. Dimock, 1933: 48).

The London Passenger Transport Board (LPTB) was also a public trust, and was created to deal with London's transport problems; in particular, haphazard planning, narrow streets, the growth of the motor car and a growing population on the periphery (Dimock, 1933: 49).¹⁶ Public control of London transport was

¹⁴ Forty per cent of British trade passed through the PLA at this time and it was the largest of sixty ad hoc authorities administering harbours and docks. Out of 177, ten were administered by government departments, forty-three by local authorities and sixty by ad hoc trading (that is, not for profit).

¹⁵ These included the following: traders paying dues (elected) - 17; wharfingers - 1; payers of dues; owners of river craft; the Admiralty; Ministry of Transport; LCC; Corporation of the City of London and Trinity House.

¹⁶ Nine million people lived in a 25 mile radius of Charing Cross.

first attempted under the 1924 London Traffic Act which restricted the number of buses for hire on certain streets. However, it wasn't until 1933 that the LPTB became a public trust.¹⁷

The establishment of the LPTB however, raised some important political questions about the nature of public utilities. Both Conservatives and Labour were unhappy with the way London's transport had been organised. Herbert Morrison (1933: 161-162) for instance, argued that the LPTB destroyed public accountability and invited 'backstairs' influence.

At the same time many senior Labour members believed that the LPTB was preferable to any existing public commercial undertaking, although some were increasingly critical of the inadequacy of labour representation on the board and the insufficiency of public control. Their view was that the public trust might be a step towards socialism but the current form of control was not very desirable.

¹⁷ The Road Traffic Act of 1930 imposed further restrictions and Private Members' Bills in 1928 and 1929 attempted to coordinate transport under a joint unified management controlled by the principal combines. This was killed by a Labour-Liberal coalition at the third reading. Liberals wanted municipal ownership and operation whilst Labour wanted national control under a public board. In 1931 a Labour Bill almost made it onto the statute books - then the Government fell. All three parties favoured coordination but disagreed on the method of control which should be established. When Parliament met in the Autumn of 1932 the National Government secured permission from the House to bring Labour's Transport Bill at the next session, where only a final reading would be allowed. When the Bill was passed it differed from the original bill on the question of public control. The Minister of Transport was to set up a body called Appointing Trustees, which was to be responsible for electing the board instead of the minister. This body was to include the chairman of the LCC, a representative of the London Advisory Committee, the chairman of the London Clearing Bankers, the president of the Institute of Chartered Accountants, and the president of the Law Society. However, unlike in the original bill, none of these were to be responsible to the Minister of Transport and disputes were to be taken to the Railway Rates Tribunal, a quasi-judicial body (Marshall.E. Dimock, 1933: 51-3).

However, not all socialists were fearful of the erosion of Parliamentary accountability; some believed that financial autonomy for public corporations was 'wholly desirable' because it was a way of circumventing Treasury parsimony and that the relinquishing of Parliamentary control over day-to-day issues was an 'immense advantage' on technical issues, even if some political control was theoretically required. It was suggested that a system of advisory committees or 'efficiency audits' through an Audit Commission could best deal with this problem (W.A. Robson, 1937: 364); and indeed, in the case of the BBC, advisory committees were routinely considered a means of improving the Corporation's relationship with its listeners. However, the BBC's committees fell short of offering listener representation and critics argued that they were overly dominated by producers' and vocational interests when 'control in the public interest was an essential precondition for the successful operation of a board' (W.A. Robson, 1937: 364).

The question of how to exert political control over public corporations was a complex one and was central to discussions about public services and on what basis they ought to be delivered. Increasingly it was suggested that the representation of the public's interests could be improved if rule by 'experts' or 'men with experience' (but not financial interest) and in the appropriate field, could be established. These experts were to be men with no political outlook (so MPs were excluded) but possessing of a 'broad' interest (W.A. Robson, 1937: 370). Experts could ensure efficient public services, because

successful public services are more fully measured by human equations, by the calibre of the men who run them, than by numerical averages (Marshall. E. Dimock, 1933: 305).

This idea of rule by experts was in contrast to Herbert Morrison's view for instance, that union representation on the boards of public bodies like the LPTB would improve political control. It was a conflict at the heart of Labour and indeed, democratic politics; raising the question of how the public interest was to be best articulated, through mechanisms which

created consumer sovereignty (as suggested by the Webbs) or by imposing worker control (as suggested by the guild socialists).

The Labour Party largely confirmed its position with its resolution at the 1933 Party Conference that workers in 'socialised industries' should have an effective share and control through representation on the boards of such industries'. Supporters of rule by experts, an essentially Fabian idea, were highly critical of this and thought it could not be pursued without 'endangering the efficiency of the enterprise and the interests of the consumer' (W.A. Robson, 1937: 370)

Equally, it was thought that public corporations would be able to achieve public and political legitimation if their role was understood in terms of national needs. So for example, the CEB could be justified on the grounds that it was a source of national fuel and power supply, and broadcasting on the grounds that it was an element of national education. It was the task of the expert, the man of technical and financial ability, to understand and interpret this national interest, to 'deal with the appropriate independence of spirit with Parliament and other public bodies, as well as to judge between conflicting public views of the public interest in the service' (T. O'Brien, 1937: 297). Increasingly this was what was meant by public service .

Decentralisation of power away from Parliament and elected representatives had huge political implications and would affect the way British democracy developed. For instance, nominal ministerial jurisdiction over the CEB was exercised by the Minister of Transport, while the Postmaster General acted in a general supervisory capacity towards the BBC. However, theirs was an 'ex-officio duty, with no direct, continuous control'. This erosion of ministerial responsibility ran 'counter to the traditions of the British administrative system' and although not everyone believed that this fact ought to 'be taken as a condemnation of it' the implications were of great concern (Marshall.E. Dimock, 1933: 60).

Some argued, for instance, that although public bodies were still subject to the sovereignty of Parliament and Parliament remained in the position of ultimate control, there had been a huge shift in power:

Parliament has in effect abnegated the right to have a Minister of the Crown always available on the Treasury bench ready to answer questions concerning the day-to-day administration of the service. It has renounced the opportunity normally provided by the Estimates for obtaining information on and a critical discussion of, every item of expenditure and revenue relating to the socialised service. It has denied itself of the privilege ... of compelling a Minister to resign, or indeed, of destroying the government (W.A.Robson, 1937: 377).

Parliament, it was thought, would need to establish greater supervisory functions and ministerial influence would have to be restricted to major questions of policy and appointments; hence the stress on advisory committees, annual Parliamentary debates, annual reports and efficiency audits to provide an 'informed, critical and disinterested' evaluation of these services. Ultimate government control, it was believed, could be easily reasserted during times of emergency, or in the case of abuses of power or dereliction of duty; (W.A.Robson, 1937: 381-382).

Other commentators were concerned that in Britain 'regulation alone had not proved a conspicuous success' and that some industries, such as gas and the railways, would probably need to move towards some form of state ownership and unified administration since Parliament had shown a

marked preference for some form of non-profit making enterprise either closely or loosely within the framework of the government, and hence free from detailed regulation, to the private company subject to restrictions and regulations which issue from government departments (Marshall.E. Dimock, 1933: 307).

The history of regulation in Britain can be contrasted to the USA where 'public utility commissions are expected to act as umpires in the clash of interest between the producer and the consumer' and where regulatory officials were considered 'special

guardians of the consumers'. Furthermore,

the British public is notoriously fearful of monopolies, but the government has usually adopted the management's rather than the consumer's viewpoint; the American consumer is not particularly frightened by monopolies but he expects the public official to fight the utilities. [Public opinion in Britain] does not play an appreciable part in public utility regulation, but in America it is a force of considerable magnitude (Marshall.E. Dimock, 1933: 309).

In Britain 'in place of vigilance there is what might be called collaboration' - a business for business sake attitude. Sir Cyril Hurcomb of the Ministry of Transport wrote:

the hand of a regulating department should not and need not be heavy or blighting in its touch. It can, and should be a supporting hand...(Marshall.E. Dimock, 1933: 307-308).

Equally, in the USA it was easier and cheaper for consumers to bring about investigations of public service companies. Where in Britain an irrate consumer was likely to write to the local paper, his US cousin could contact the Public Service Commission, attend a protest meeting and so on. Twenty complaints, for instance, could initiate a formal investigation.

In Britain however, many believed that the establishment of public corporations would require clearer guidelines for control by the state. For instance, G.D.H.Cole in The Next Ten Years in British Social and Economic Policy (1929: 136) had suggested a unified agency within central government to deal with public utilities. Certainly it was felt that the granting of monopolies and other forms of privilege could only be justified on the grounds that the national interest was being well served and the benefits passed on to the consuming public. Although it was also understood that where monopoly had been substituted for competition then 'paternalism instead of economic laws must operate' (Marshall.E. Dimock, 1933: 315).

Finally, there was also conflict on the question of how to value industries taken into public control, as well as the issue

of the burden of debt on newly formed trusts. Valuations imposed by Parliament had the virtue of definiteness and a 'lack of fluctuation' but they also imposed a great deal of power upon the experts, the 'arbitrators and engineers'; although, some were grateful that this approach had kept the utilities out of the courts and away from 'judicial logic' (Marshall.E. Dimock, 1933: 54). Equally, there was the problem of the use of some public corporations as a method of indirect taxation. In the case of the BBC for instance, the Treasury was exacting large amounts of revenue via the licence fee and it was argued that large profits earned on a service wherein monopoly and other forms of privilege had been granted was a clear case of anti-social exploitation (W.A.Robson, 1937:383 and Marshall.E. Dimock, 1933: 304).

By the late 1920s public corporations in Britain were increasingly viewed as more effective than any ministry of state for the management of a publicly owned industry or services; while central government was seen as unsuitable for the efficient management of commercial enterprises and ministers were too subject to political pressures. Supporters of the corporation form of management stressed their independence and flexibility; and argued that management of these bodies, freed from the obligation of the management of a private company to maximise profits, would run certain key industries more efficiently and in the social interest.

Boards were also seen as one way in which the increasing demand for workers' control could be dealt with. Direct worker management was viewed as incompatible with the normal structure of a ministerial department (and politically unacceptable to many) whereas the corporation offered the minister the opportunity of appointing people of different interests to the board charged with the management of the industry (Blackwell Encyclopaedia of Political Science, 1991: 510).

Public corporations also offered governments distinct public relations advantages with their stress on consumer welfare. After

all, this was the first time that governments had had to actively seek consent for their policies from the mass of the people. For the consumer however, the public corporation offered a degree of social justice by promising a system which would deliver fair prices and universal service.

Although corporations were to some extent seen as a response to the dominance of monopoly capitalism and the demise of the influence of the small business; the decision as to whether a particular industry should be taken into public control was not based on any inherent quality such as natural monopoly but was a case of

legislators establishing more complete regulations over businesses which the voters fear will injure their interests if public regulation is not sufficiently exercised (Marshall.E. Dimock, 1933: 23).

It was also the case that because public opinion was playing a more influential role in policy formation, public utilities could be created 'whenever Parliament choses to designate it as such or when the degree of regulation has reached the point where public opinion acting through Parliament, regards the undertaking as peculiarly a public service' (Marshall.E. Dimock, 1933: 25). In other words, public opinion as much as monopoly was responsible for the establishment of public corporations.

Given that public corporations were acceptable to the three major political parties, each found that, regardless of ideological differences, they could view them as the 'necessary step in future reconstruction'. Differences tended only to arise about the nature and degree of the control. This was not to say that this constituted evidence of political consensus. On the contrary, the public corporation was viewed differently by each party. The point was that each party could accomodate the public corporation to their own particular vision of the future. Thus Conservatives were comfortable with a pragmatic approach and hoped that public corporations would be able to combine the advantages of monopoly without relinquishing all of the benefits

associated with private enterprise; and Liberals saw them as instruments to improve working conditions and to promote citizenship in a mass democracy; while Labour believed they were a step along the road to socialism: 'from public service it is not a great step to state trust' (Marshall.E. Dimock, 1933: 35-36).

The public corporation idea also appealed to the parsimonious nature of the Treasury. After World War One reconstruction of industry had been necessary but expensive; the fact that public corporations were self-financing and would not burden the taxpayer, was highly attractive to government. Thus for example, in 1922 and in 1954 when the Treasury might have been called upon to find money for the developing broadcasting infrastructure, the corporation model was easily adapted to the specific conditions required.

As far as broadcasting was concerned, the idea of the public corporation also suited a number of important interest groups. For instance, the wireless industry sought a form of trade protection; the press feared competition from the broadcasters; and performers feared loss of employment and an attack on their conditions of work. Finally, the BBC as a public corporation appealed to the Post Office because it had been reluctant to indulge in any further expansion of its administrative functions. The Post Office was already a huge organisation much criticised for its commercial activities, and was therefore, not keen to extend them. Furthermore, the Post Office would have found it politically difficult to continue to exercise public control over broadcasting if it had remained in private hands. The public corporation was the obvious solution.

Several other factors helped facilitate the acceptability of the public corporation. Firstly, the Parliamentary machinery was already in place to secure public control of key industries. Orders in Council were used to set up the BBC and General Acts to set up the Central Electricity Board, the London Passenger

Transport Board and the Port of London Authority. The existence of this machinery reduced the necessity of a wide ranging public or parliamentary debate on the principle of public ownership - instead, public ownership expanded incrementally piece by piece using existing Parliamentary rules.

Secondly, in Britain there was a long history of autonomous and semi-autonomous forms of government which could be traced back as far as Tudor times and to institutions like the National Gallery and the British Museum (W.A. Robson, 1937: 398). Britain's imperial history also meant that there was considerable administrative and governmental experience of such institutions; thus public corporations could always be viewed as 'traditional'. Finally, the public corporation was a pragmatic and flexible institution which made it highly adaptable to new conditions.

In the 1930s support for public corporations was ultimately reinforced by economic and political conditions, especially the depression and the need to deal with mass unemployment; increasingly governments came to the conviction that much could be achieved by a large scale re-equipment of industry and the adoption of modern production and distribution techniques (Sidney Pollard, 1979: 309). ¹⁸

The political advantages of the public corporation were many. They pleased a number of influential groups in society. Investors (when a private industry was taken into public ownership) got a good return for their money, managers were able to achieve 'objective efficiency', customers got good service at

¹⁸ In fact, the period was characterised by the deployment of a range of protective and financial measures from government to industry; producer marketing boards were set up to provide a 'statutory and inviolable monopoly' along with commodity commissions for wheat, sugar and livestock. By the outbreak of war in 1939 therefore there was hardly an agricultural product not the subject of a subsidy, and public ownership had extended to the London Passenger Transport Board (LPTB) and British Overseas Airways Corporation (BOAC). In this way the gap was effectively closed between government and the business community (Sidney Pollard, 1979: 43-44).

a fair price, and workers gained more control over their working environment. They were also extremely flexible and could be adapted to suit a range of industries and services.

There were also some major difficulties with them. Most importantly there was a lack of democratic accountability to Parliament, because of the freedom they enjoyed from the rigors of day-to-day scrutiny by a minister. In particular, they were vulnerable to interest group pressure and personal influence and often failed to address the issue of consumer representation. Equally they risked becoming dulled to public need and costs were likely to rise (Marshall.E. Dimock, 1933: 303). Financial autonomy and access to funding for capital projects were seen as essential requirements if the corporations were to be successful, and these of course, were rarely forthcoming. For example, the relationship between the Treasury and the BBC.

Concluding remarks

Crucially, the growth of the public corporation reflected the growing shift of power towards the administrative arm of the state and the extent to which administrative and 'scientific' techniques of planning, organisation, management and production had become increasingly central to the running of a modern industrial democracy.

At the same time, contemporary commentators, writing in journals like Public Administration were beginning to construct a theory of public service. This theory might be 'empirical, pragmatic and relativist' but it was nevertheless 'capable of true appraisal' (Marshall.E. Dimock, 1933: 301). Public service had a dual character. On the one hand it was located in the behaviour and ethical outlook of individual administrators and civil servants, men with their 'cultural background, broad outlook, art of management'. On the other it was located in public service institutions like the Civil Service, the BBC, the

CEB or LPTB.

For these commentators 'public service traditions' were not to be equalled and 'public utility executives and others like them in the Civil Service and Parliament' were considered to 'comprise the best part of an aristocracy which had its roots in the public service traditions of the privileged classes and the cultural opportunities of Oxford and Cambridge'. It was also claimed that public service had enabled the British aristocracy to survive because it had 'developed a philosophy which recognises that privilege means responsibility' and because 'public service [was made] the dominant incentive' (Marshall.E. Dimock, 1933: 319). Public corporations however, failed to adequately balance the need for independence with accountability; and this has been an enduring problem for the BBC.

The development of public corporations needs therefore, to be understood within the context of a long-standing debate about organisational forms, a debate which has sometimes surfaced as an

argument about efficiency versus democracy, sometimes as one of public interest versus private financial interest. At times it has been variously fought out in terms of state control versus individual liberty, the rights of majorities against those of minorities, or of socialist principles versus practical success (Caroline Heller, 1977: 5).

In this period the argument emerged as a conflict between those for whom Parliament was accepted as supreme and those for whom the idea of efficiency in management was what mattered most. Thus, although support for maintaining Parliamentary accountability had been reaffirmed on many occasions (from the 1914 McDonnell Commission on the Civil Service, to the Haldane Committee on the Machinery of Government in 1918 and the Bridgeman Committee on the Post Office in 1932) the development of public corporations contradicted the very principle itself.

In that sense the dominance of public corporations were a legacy of politicians from the left and right thinking in terms

of 'national development' and facing what they believed to be were the 'realities of advanced capitalist society in the early part of the twentieth century' (Caroline Heller, 1977: 6-7). This development represented a loose consensus about the usefulness of public service institutions; a consensus of opinion which was prepared to jettison the principle of Parliamentary supremacy for administrative efficiency and notions of national development.

Chapter Four

Public service broadcasting and the BBC as a public corporation: 1922-27

Public service broadcasting in Britain emerged therefore, during a period when the dominant form of public service institution was the public corporation, and in the context of a growing acceptance that the public utilities (as well as some departments of state like the Post Office) were both the embodiment of the idealised public service institution as well as the mechanism by which the ethos of public service was to be disseminated throughout the state and even industry.

The Post Office, although not a public corporation, was an important institution in this process; the process whereby public service as both an institutional form and as an ethical or practical way of doing things, was gaining wide acceptance. However, although the establishment of broadcasting as a public service (particularly prior to 1926) owed much to the influence of Post Office thinking, John Reith, the first director-general of the BBC, also played a leading role in moulding broadcasting along public service lines.

It was also the case however, that Reith drew heavily on the pre-existing debate about what constituted public service and how it might be achieved.¹ Not only were there a set of well rehearsed academic arguments about the philosophy of public service, but because of the nature and origins of the concept it was also widely understood and had much support in Parliament and of course, the Post Office itself. Reith was not therefore, a 'latter-day Archimedes, rushing off without his towel to set up

¹ This debate was articulated by the newly formed Institute of Public Administration (with its critique of public services like the Post Office, the Civil Service and the public utilities of gas, electricity and water) cf. Chapter Three.

something called public service broadcasting between a late breakfast and an early lunch' (Ian McIntyre, 1993: 128).

4.1 The birth of public service broadcasting

In his memoirs, Into the Wind (1949), Reith claims that at the first meeting of the first broadcasting inquiry (known as the Sykes Committee) he offered a 'personal opinion - broadcasting should be conducted as a public service and under public corporation constitution. It was not the 1925 Crawford Committee which coined either idea or expression' (J.C.W. Reith, 1949: 90: cited by Ian McIntyre, 1993: 128).

While it is quite true that the Crawford Committee did not coin the phrase 'public service broadcasting' neither did Reith. Furthermore, there is no record of Reith having made this particular comment in the minutes of the Sykes Committee; although his 1924 book, Broadcast Over Britain, uses such phrases as 'the Broadcasting Company regards itself as a public service and is catering for the public interest (Reith, 1924: 57) and the 'organisation is being conducted on the lines of a public service, the maximum benefit to the maximum being kept in view' (J.C.W. Reith, 1924: 64). This suggested that at the very least Reith expected his audience to understand what was implied by 'public service lines'.

As McIntyre and Briggs have pointed out, the phrase 'public service broadcasting' belonged to the American wireless pioneer David Sarnoff, who in June 1922 noted that 'broadcasting represents a job of entertaining, informing and educating the nation, and should therefore be distinctly regarded as a public service'. Sarnoff had gone on to advocate the setting up of a 'Public Service Broadcasting Company or National Broadcasting Company' (Ian McIntyre, 1993: 129 citing G.L.Archer, 1931: 31. Also in Asa Briggs, 1985: 18).

In fact by November 1923, Reith was proclaiming that the

Broadcasting Company, with its commercial obligations to shareholders and British wireless manufacturers, was 'actuated by definite policy and ideals, consistent with which we are determined to make the broadcasting service of as widespread interest and application as possible. The BBC is a public utility service' (Ian McIntyre, 1993: 130). It is clearly the case therefore, that Reith was using the language of a pre-existing public service philosophy to describe the nature of broadcasting as a public service.

However, while public service broadcasting was a reasonably coherent philosophy in 1926 (a non-profit-making monopoly with a programme service animated by high standards and available throughout the nation); as Scannell has noted 'with the passing of time the concept has become more and more obscure' (1991: 4). This has been for two key reasons. Firstly, broadcasting continued to expand and develop its area of operation so that the old, Reithian description of public service no longer fitted the changed reality; and secondly, because of the failure to analyse the development of public service broadcasting in terms of the wider debate about public service in general. As Scannell states, the crucial event during the Sykes committee deliberations was the 'definition of broadcasting as a public utility whose future should be discussed as such' (1991: 6).

The birth of broadcasting in Britain has of course, been well documented by the historian Asa Briggs (1961; 1965; 1985); however, Briggs tends to describe the emergence of public service broadcasting in terms of a response to a set of technical and financial conditions. He describes, for instance, how between the 1890s and 1913 it became increasingly obvious to entrepreneurs, inventors and even the British government that wireless telephony had the potential to be more than a system of point-to-point communication; it could be developed to broadcast information and entertainment.

Marconi, the electronics firm, were at centre stage of this

technological drive, although Briggs concedes that their efforts were accompanied by civil servants who were

men ...more interested in order than in profit. Market forces were not to be allowed to operate unrestrained (Asa Briggs, 1985: 10).

In fact, this desire for bureaucratic order dovetailed neatly with government attempts to secure control over the airways² for reasons of 'revenue and the communication of official, including naval and military business' (Asa Briggs, 1985: 11).

If wireless developed around the twin poles of amateur enthusiasm and increasingly powerful business interests, international pressures also played their part. For instance, there was growing resentment that European wireless stations were delivering a service, which ought to be provided nationally³; while the experience of American wireless development also impacted on the British scene.⁴ In particular, the American experience of 'chaos of the ether' provided a powerful incentive for Britain to regulate wireless development; and visits by British visitors to the USA in this period served to confirm the

² First with the 1869 Telegraph Act, followed by the 1904 Telegraphy Act and between 1905 and 1914 the development of a licence system for wireless enthusiasts.

³ Briggs cites a petition delivered by Wireless World in December 1921 demanding action (1985: 16-17).

⁴ Wireless stations in the USA had mushroomed without any control but by 1922 regulation began to be enacted. Although British and American broadcasting developed very differently, the classic definition of broadcasting as a public service was, as stated earlier, coined by David Sarnoff, the commercial manager of Marconi USA.

need for regulation.⁵

By May 1922 it was clear to the government that broadcasting would need to be regulated. Marconi had a number of stations operating but there was concern from politicians and British wireless manufacturers, that it should not be allowed to develop a commercial monopoly.⁶

This was the outcome of a long running commercial and political battle between Marconi and the British government. In 1919-20 for instance, the Imperial Wireless Telegraphy Committee [Cmd 777], had produced a report, which had considered the implications of giving permission to a commercial company (Marconi) to construct an Empire-wide wireless system for 'strategic and commercial' reasons. The committee (made up of senior Post Office officials and engineers, politicians and the military) had been told to consider the question on 'technical grounds' because the issue of 'State-ownership versus private ownership of Imperial wireless communication' was not within their terms of reference (Cmd 777: 70-82); however, the implication of the report's deliberations was that only a state monopoly could satisfactorily protect the commercial and strategic interests of the Empire as well as the bureaucratic interests of the Post Office.

⁵ Godfrey Isaacs of Marconi and F.J.Brown, assistant secretary at the Post Office, both visited the USA between 1921 and 1922, and in April 1922 the Postmaster General declared to the House of Commons:

It would be impossible to have large numbers of firms broadcasting. It would result only in a sort of chaos, only in a much more aggravated form than that which arises in the United States (Asa Briggs, 1985: 20).

⁶ Though Briggs says that F.G.Kellaway, the Postmaster General was not opposed to the idea of a monopoly per se - just to a Marconi monopoly (1985:26).

The Committee had concluded that if Marconi were given the opportunity to construct such a service, then an unfair commercial advantage over 'state-owned Imperial Atlantic Cable and the State-owned Pacific Cable but also the existing telegraph systems of the various governments of the Empire' would ensue; and that it would 'leave no room for any further wireless service in or from the United Kingdom' (Cmd 777: 82). Furthermore, a commercial monopoly would hamper competitive activity and discourage technical research, as well as depriving the 'services and the Post Office of their best engineering personnel' (Cmd 777: 83).

Finally, it was suggested that in order to 'secure efficient working, an Imperial system, by whomsoever provided, must be protected from interference from other sources and must therefore be, a practical monopoly. But a state monopoly of this kind would not preclude private enterprise in other spheres of wireless activity' for instance, manufacturing concessions and long distance traffic (Cmd 777: 83). Clearly 'technical considerations' were defined very broadly and embraced political, economic and social considerations.

In April 1922 the influential Wireless Sub-Committee made its report; a report which reflected the views of the Treasury, the Foreign Office, the India Office, the Colonial Office and the Board of Trade in its demand for a single wavelength, strict controls on hours of broadcast, the rights of government to broadcast its own communiques when and if required, and a ban on advertising. The Post Office's view was rather different, and on May 4 1922 Kellaway, the Postmaster General, announced in the House of Commons that British firms would be allowed to apply for permission to launch a 'limited number' of stations - in other words, there would be more than one frequency on offer.

During May 1922 the various wireless manufacturers, in a series of meetings at the Post Office, hammered out their plans

for a British broadcasting service.⁷ In the end however, they agreed that there should be just one broadcaster. On May 25 it was announced that this organisation should be called the British Broadcasting Company and by the end of the month agreement had been reached which satisfied all parties within the wireless trade.⁸ Parliament was a little more difficult to convince, though only marginally; some MPs made speeches about free trade and there was a general concern about the potential problems of allowing a private company what amounted to a monopoly. However, The Manchester Guardian editorialised that while there were difficulties associated with monopoly

broadcasting is of all industries the one most clearly marked out for monopoly. It is a choice between monopoly and confusion (Asa Briggs, 1985: 33).

Thus was British public service broadcasting born. Government wanted to guarantee control over it but not pay for it; and the British wireless manufacturers wanted to secure the home market from foreign competition. The public interest was on the agenda but mostly as a sop to the amateur wireless enthusiasts. Briggs suggests that in the May meetings the question of public representation on the BBC board of directors was mooted, but the minutes of these meetings have not survived. The press - naturally anti-monopolistic - were generally compliant - they could see that in a situation where broadcasting was in competition with newspapers, it would be simpler dealing

⁷ These included the 'Big Six' - Marconi, Metropolitan-Vickers, Western Electric, Radio Communication Company, General Electric Company, British Thomson-Houston Company - as well as smaller companies like Burndept Ltd. Briggs says that although there was a discussion about the management and number of the new station or stations, there was a sense that the major decision - that there should be a single management structure - had already been taken by the largest companies (Asa Briggs, 1985: 29-30).

⁸ Briggs says that the first set of negotiations had been about the problems of business interest and the second the problem of the public interest, and that neither were 'easy to define to everyone's satisfaction' (1985: 32). However, all contemporaneous accounts of these meetings have been lost.

with a single company than an entire industry.⁹

In November 1922 the BBC began broadcasting. This event was followed by the fall of the Liberal Government and its replacement by the Conservatives. Fear that this would jeopardise the company's position proved unfounded, and indeed, the new Prime Minister, Stanley Baldwin, emerged as one of the first political leaders to appreciate the importance of an effective broadcast persona (Asa Briggs, 1985: 38).

In Parliament however, MPs were becoming increasingly concerned about the status and operation of broadcasting. Some were concerned about the legitimacy of allowing the BBC to broadcast without Parliamentary consultation or scrutiny and demanded that the Postmaster General take full control of the airwaves or 'the whole of broadcasting will fall to pieces as an education and an amusement to the people of the country' (Lieutenant-Colonel Moore-Brabazon, 19 April 1923, Hansard, Volume 162: 2441). For others the issue was the 'monopoly' (whether one existed and whether the Postmaster General had the right to create one) or the issue of payment for licences.

These complaints rumbled on in the Commons until April 19 1923 when the Postmaster General, William Joynson-Hicks, announced that he was 'instituting the strongest committee I can get in order to consider the whole question of broadcasting' (Hansard, Volume 162: 2441). This committee became known as the Sykes Committee after its chairman Major General Sir Frederick Sykes and was to set the tone for all subsequent inquiries into British broadcasting - in particular it was a catalyst for setting down on paper what in future would be considered as public service broadcasting.

⁹ The broadcasting monopoly worked in the press's favour in other ways. For instance, it made the job of imposing tight restrictions on news and sports coverage very much simpler.

4.2 Broadcasting as a public utility or public corporation

The Sykes Committee ([Cmd 1951]) held 34 meetings, examined 32 witnesses and reported to Parliament in August 1923. While there was considerable confusion over the issue of the status of the commercial broadcasting company and its relationship to the government, as early as 1923, broadcasting was assumed to have qualities which required that it be treated as a public utility. This was almost certainly due to the interventions of three key committee members; Sir Henry Bunbury (Comptroller and Auditor General of the Post Office and guiding light at the Institute of Public Administration), John Reith (at that time general manager of the BBC) and Charles Trevelyan (Labour MP and Fabian). For instance, it was Trevelyan (not Reith) whose opinion that the broadcasting service should be operated by the Post Office as a public service was added to the final document (Sykes report, 1923: Appendix).

In a section of the report entitled the 'Future of broadcasting as a public utility' broadcasting was described as a unique medium; it was a single voice reaching out to thousands of listeners, there were possibilities of an imperial or international service in the future, it was cheap and its power was described as 'holding social and political possibilities as great as any technical attainment of our generation'. For this reason it was understood that control

over such a potential power over public opinion and the life of the nation ought to remain with the State and the operation of so important a national service ought not to be allowed an unrestricted commercial monopoly (Sykes report, 1923:18).

However, commercial monopoly was the key phrase, because in fact the committee 'held that the State must regulate broadcasting, though it should not itself operate the broadcasting stations' (Sykes report, 1923: 45). The report fell short however, of suggesting that there should be a monopoly in broadcasting; although BBC representatives (including Reith)

believed that there was a de facto one. Post Office officials, on the other hand, stressed that the government ought to be free to consider alternatives.

The committee also rehearsed the argument that because of spectrum scarcity the airwaves must be regarded as a 'valuable form of public property' and those permitted to use them would need to be subjected to 'the safeguards necessary to protect the public interest in the future' (Sykes report, 1923: 18). The bulk of revenue for broadcasting would be collected by the state and ultimate responsibility for the service would rest with the Minister responsible to Parliament, the Postmaster General. More crucially, however, the committee proposed that a Broadcasting Board be established with an independent chairman and twelve committee members chosen from 'public life'. The suggestion was that these might be drawn from the TUC, the Post Office, the press and the County Councils Association so that the public's complaints and proposals could be addressed and from whom the 'public would derive confidence in the service' (Sykes report, 1923: 19-23). However, the report's definition of 'public life' reflected the narrowness of the political elite.

Echoing the Imperial Wireless Telegraphy Committee of 1919-20 the Sykes report was at some pains to underline the fact that the principle of public control did not automatically imply state control; indeed, the report suggested that there should be 'considerable latitude in deciding by whom broadcasting should be operated' (Sykes report, 1923: 23). Equally, control did not necessarily imply direct state intervention, though some degree of management of the service was considered desirable.

By making a distinction between public control and state control the principles on which public service broadcasting was based were established: broadcasting was too important to be left to the free market but it was equally undesirable for the government to directly operate a broadcasting service; therefore, it was in the public interest that broadcasting be operated under

'government licence' but not by a government department.

Government control would however, be 'definite in character' because it would be secured through the licence fee (Sykes report, 1923: 26). Other forms of finance were considered (for instance, through direct taxation or advertising) however, the former was a problem because non-listeners would be paying for the service, and the latter unacceptable because it would lower standards and make the service 'unpopular' (Sykes report, 1923: 28).

The service envisaged was a universal one, it would bring within the reach of broadcasting 'the greatest number of people'; and comprehensive in terms of subject matter of an 'educative nature': to include entertainment, announcements of event of 'universal public interest', important statements by government, debates in Parliament and other public bodies, speeches, lectures, sermons, information of value to the commercial public, weather forecasts, sporting intelligence and police warnings (Sykes report, 1923: 19-28).

For Sykes the establishment of a Broadcasting Board was central to the attempt to secure the public interest in broadcasting (although one committee member thought that a panel of 'experts' rather than a board was desirable, and of course, Charles Trevelyan envisaged broadcasting run by the Post Office as a public service). In the event it was Trevelyan's idea for broadcasting to be run as a public utility which was finally adopted in 1926, and not the idea of the independent Broadcasting Board with its stress on catering for the 'goodwill' of the public.

In 1923 broadcasting was already understood in terms of public service arguments, although the precise method for delivering the service had not been agreed. The proposed independent Broadcasting Board, and the fact that it was not adopted, emerge as important steps in the process by which public

service broadcasting was established. The board had been a clear attempt to construct an institution through which the public could directly express its interest in the service; however, limited the definition of 'representative' was. In fact, Sykes' most important recommendations were not put into action and it took another committee of inquiry, Crawford, to engineer the kind of public service institution acceptable to the key players in the decision-making process - in this case the government, Parliament, the Post Office and the BBC itself. In this process the interests of the public as such were increasingly marginalised.¹⁰

By the time the Crawford Committee convened in 1926 the idea of an independent board had been shelved; and the public service idea in broadcasting had become inextricably associated with the experiment in public utility corporations at the expense of a system, which in theory at least, might have been more sensitive to public taste.¹¹

Between December 1925 and February 1926 the Crawford Committee, was given the task of considering the future of broadcasting with a view to making recommendations for legislation. In July 1926 the government reported to the House of Commons that it intended to take up Crawford's recommendations, that the BBC should become a public corporation.

¹⁰ In the wake of the Sykes report the BBC under Reith began to set up advisory committees in religion, spoken English and music, while the public remained unenthusiastic about the new service, which was considered too highbrow. Reith however, was unimpressed by the criticism.

¹¹ This idea of the independent board surfaced in 1977 (Annan) when there were calls by the Labour Party and the Standing Conference on Broadcasting for an Executive Broadcasting Commission to improve the channels of accountability between public and programme provision; and again in 1986 (Peacock) when it was recommended that in the move towards a 'full and satisfactory broadcasting market' (full freedom of entry for programme makers, multiplicity of channels, pay-tv) a Public Service Broadcasting Council would need to be set up to protect public service programming (Peacock report, 1986: 159-165).

Viscount Wolmer, the assistant Postmaster General, speaking to the House in the following Parliamentary session, supported the move with the following speech:

We are proposing no new thing because what we are doing is simply providing that a monopoly service should be subject to some government control... I think there is general agreement that you have got to have a monopoly in broadcasting, and that the British system is a great improvement on what obtains in America... once you are committed to a monopoly, you are necessarily committed to some form of government control. We see that in every branch of public life - from gas companies for instance, to the Post Office itself - and what we are doing at the present moment is establishing something which is no more socialistic than the Port of London Authority.

Wolmer believed that this state of affairs would continue for some time because 'we have not yet arrived at a condition of affairs where listeners can select their programmes with sufficient accuracy to enable that degree of competition to exist' (Hansard, Volume 199, Supply Day debate on Post Office Estimates, 15 November 1926: 1563-1644).

Reith had another explanation for the need to ensure 'centralised control in the hands of a disinterested body as the basic principle of the future'; this was 'security'. In his opinion the Broadcasting Company had created a 'national asset at once too powerful and too delicate to be allowed to retain a constitution which others might choose to operate on other lines and with other objects' (J.C.W. Reith, 1928: 40). It is difficult to avoid the conclusion that the experience of the General Strike in May 1926 had alerted Reith in particular, and politicians in general, to the importance of maintaining ultimate political control over broadcasting; although the Strike also elicited from Reith the classic statement of the case for broadcasting to be independent from government:

The BBC has secured and holds the goodwill and affection of the people. It has been trusted to do the right thing at all times. Its influence is widespread. It is a national institution and a national asset. If it be commandeered or unduly hampered or manipulated now, the immediate purpose

of such action is not only unserved but prejudiced. This is not the time for dope, even if the people could be doped. The hostile would be made more hostile from resentment. As to suppression, from the panic of ignorance comes far greater danger than from the knowledge of facts. If the government be strong and their cause right they need not adopt such measures...(Ian McIntyre, 1993: 143, citing Reith's summarised diary 6 May 1926).

The decision to turn the BBC into a corporation was broadly welcomed in Parliament, with the exception of Lieutenant-Commander Kenworthy MP, who argued that the extension of the wireless monopoly would 'rivet the country for another ten years...the commissioners will be there for ten years...

Even if they are archangels...there will be the atmosphere of the Civil Service gradually developing in the broadcasting service. However well the Civil Service can run the Post Office and however well the Civil Service could, I believe, run the mines of this country, and many other great monopolies, the last thing they ought to have anything to do with is art, or the entertainment industry, or giving news, or an educational service. The service is going to be controlled by the Government.

In his view the monopoly ought to have been broken into two or three companies to prevent government interference (Hansard, July 14 1926: Volume 198: Post Office Estimates Debate: 473). In general therefore, where there was criticism of the monopoly it was less on the grounds of the value of competition, and more to do with the maintenance of free speech (R.H. Coase, 1950: 141)

In 1928 for instance, Reith described how criticism of the BBC's monopolistic character had by 1925 'practically disappeared in the light of public knowledge of the Board's policy [of public service]'. For Reith it was also the case that the 'notion once plausible enough to attract a measure of support, that programme quality would be improved if several broadcasting organisations were allowed to compete for public favour was no longer taken seriously (J.C.W. Reith, 1928: 40).

4.3 The BBC and the Post Office - experiments in public service

As we have seen, the transformation of broadcasting from private company to public corporation was a relatively painless process. For example the government was able to argue that because the Broadcasting Company had operated as a public service, then the transformation to public corporation was, as Wolmer had intimated, 'no new thing'. All that was new was the confirmation that the BBC was in possession of a monopoly of broadcasting.

During the Sykes committee this issue had provoked a great deal of argument; with the Post Office reluctant to acknowledge that a monopoly might be in operation, and the BBC keen to extract an acknowledgement that this was the reality of the system. By 1925/26 however, the general distaste for monopolies was set against a growing and powerful consensus (which included Parliament, government, wireless manufacturers, the press and 'public opinion') that broadcasting could not continue as it had been and that it was desirable for it to remain under public control. This decision was not made on economic grounds (on the understanding that natural monopoly was an instance where competition would not work), or indeed, on technological grounds to do with spectrum scarcity; instead it was essentially an administrative and political decision.

The Post Office had noted that the basis of the original licence to broadcast had been the limited number of wavelengths; however, limited spectrum was not the only justification. There had also been a desire to cater for unremunerative districts, to facilitate simultaneous broadcasting (which would allow for better programmes at less expense) and because it made administrative sense; quite simply it was easier to apportion the licence fee to one organisation rather than several. This arrangement also allowed the broadcasting company to afford better technical staff, so that better programmes resulted and

because it facilitated the broadcasting of special functions like speeches. There were also savings in overhead charges. Minimal stress was put on the desire to 'prevent overlapping' or etheric chaos (which had in fact been the dominant argument) and none on the need to exert political control over a potentially dangerous medium (19 November 1925: Minutes of the Crawford Committee).

The Post Office, was however, firmly against the BBC continuing to broadcast without a change in its constitution. Equally, it was opposed to running the service either itself or allowing another government department to assume the responsibility. This was for a number of reasons: firstly, the Sykes committee had already dismissed the idea and secondly, it considered government departments to be entirely unsuitable for organising programme production. Thirdly, its view was that there would be serious problems of financial and political control if Parliamentary criticism of broadcasting was allowed and MPs were bombarded for improved services. Perhaps most importantly however, was its view that the role of the Post Office was to provide the means and not the matter of communication (19 November 1925: Minutes of the Crawford Committee); and Briggs notes that the Post Office had already decided upon this course of action before the Crawford Committee met in November 1925 (Asa Briggs, 1985: 86).

However, although there was agreement that broadcasting ought to be considered a public service and take the form of a public corporation, public service institutions could take many forms; and it was on this important detail that Reith parted company with the Institute of Public Administration orthodoxy (cf. A.J. Waldegrave, discussion in response to G.H. Stuart Bunning's paper 'The Theory of Post Office Policy', Public Administration, Volume IV, No.1, 1926: 24-40).

Reith argued that he had become convinced that the BBC's status ought to be changed because broadcasting was a public service and not a competing commercial company; and that it had

been on these grounds that he had persuaded the BBC board to support him. However, the lack of a commercial element was not viewed as an essential principle of the public service ideal by contributors to Public Administration. For example, the Post Office was a public service institution (although not a public utility organisation) and despite being a department of state also supplied commercial services to the public.

the citizen must pay for services rendered...and in some cases the services are competitive and the demand for them is elastic...especially...telephones and telegrams. These are factors which clearly establish the commercial character of the Post Office (Marshall.E. Dimock, 1933: 121).

Thus, the Reithian requirement that the BBC as a public service broadcaster, needed to be non-profit making, was less an essential principle of the public service ideal, than a political decision about the way in which public service broadcasting as a specific entity ought to be conducted. In this respect public service broadcasting was different from the broader principle of public service.

The wider philosophy of public service, for instance, allowed for a greater degree of flexibility of organisational forms than Reithian public service broadcasting would allow. For example, it was argued that the Post Office's activities as a public service fitted into three different possible interpretations of the public service concept. Firstly, the principle that a public service could, in some circumstances, be an instrument of taxation ie. make a large profit; secondly, that a public service should be provided where it was required, even if it made a financial loss, as with the telegraph service (in other words, cross-subsidization was to be approved). Thirdly, that a public service could be provided on a commercial basis, just making a reasonable margin of profit; thus demonstrating that it was the flexibility of the 'public service' ideal which accounted for its popularity and usefulness (A.J.Waldegrave, discussion in response to G.H.Stuart Bunning's paper 'The Theory of Post Office Policy', Public Administration, Volume IV, No.1,

January 1926: 24-40).

In many respects however, the Post Office as a public service shared many similarities with public service broadcasting. A key phrase used by Bunbury for instance, was 'service to the consumer'. This was the test by which it was believed Post Office policy ought to be measured, and the strategy which would, in Bunbury's opinion, bring universal benefits in the shape of a service 'within the reach of those who otherwise would not be able to afford it' ('The Elements of Rate-Fixing for Public Utilities', Journal of Public Administration, Volume III, 1925: 53).

It was Bunbury for example, who had established the principle that provision should be based on need; a principle adopted by Reith for public service broadcasting. Reith had noted later that 'one of the dangers to which public service working is specially exposed is misinterpretation of the word efficiency. The absence of profit-making stimulus and bankruptcy risk' sets up the idea that unless those on the outside personally see to it efficiency will not be maintained'. But, it was also the case that it was not that easy to 'set up a proper criterion of efficiency' and misunderstanding of it in the past had led to the neglect of the 'human element in the machinery...there must be justice, but there must not be laxity - a fair day's work for a fair day's pay' ('Business Management of the Public Services', Public Administration, Volume VIII, No.1, 1930: 27).

Bunbury had given this issue thorough consideration in a 1925 paper on the 'Elements of Rate-Fixing' in the Post Office and public utilities. He had contrasted the idea of the 'accounting cost of the service' with the idea of the 'value or economic cost of the service'; the former referred to actual costs and the latter to the value of the service to the consumer. For Bunbury however, accounting costs were a 'delusion and a snare' and Post Office tariffs ought to be set at an 'economic cost' or at a rate that 'the traffic would bear'. In other words,

the idea of the economic was to do with the value of the service to the consumer and not about securing high profit margins (Volume III, No.1, 1925: 50-53).

Bunbury was also responsible for stressing the importance of cross-subsidisation as a principle of public service. He took the view that public utilities could be useful for creating and nurturing new services and suggested that this approach would enable services which had begun by being unremunerative to become remunerative.

Telephones afford a good example of this principle. All progressive telephone administrations carry their service into rural and outlying districts which are in no sense remunerative to them at the start, but which they believe will become [so] in due course ('Elements of Rate-Fixing in Public Services' Journal of Public Administration., Volume III., 1925: 56).

This was not an argument for un-economic state subsidies; for in Bunbury's opinion, both publicly and privately owned utilities should abide by the same principles 'according to the laws of economics ('Elements of Rate-Fixing in Public Services', Public Administration., Volume III., 1925: 58). Instead it was an argument which gave support to the principles of universal service and the need to establish fair costs for consumers. In short, universal service had social and economic benefits.

The key issue here was public opinion. If the public wanted 'unremunerative service to be given' then 'the public will probably have itself to assume the responsibility for the service'. Whether it was 'economically justifiable' to give such a service Bunbury believed that

it depends upon circumstances. The service as a whole must pay its way...[and] unremunerative parts of the service must not threaten the service as a whole, rates charged must not be less than the consumers can afford to pay, and the provision of the service must be necessary in order to maintain a reasonable standard of amenity.

The Post Office's rural service was an example of a service

unlikely to be remunerative, and although such services should not be allowed to threaten the rest of the Post Office's activities, such a policy was 'a proper and necessary consequence of the statutory monopoly with which Parliament has entrusted the Postmaster General' ('Elements of Rate-Fixing in Public Services', Journal of Public Administration, Volume III, 1925: 58).

Public service, as it related to the Post Office, and public service as it related to broadcasting were therefore, legitimated by arguments to do with the social benefits of public ownership. However, just as it was possible to discern the links between the public service idea in the operation of the Post Office and the BBC, it was also the case that they shared similar problems. These included the problem of too much bureaucracy where 'it was easy for people to lose sight of their main purpose'; the problem of restraint on innovation, a lack of respect for the public so that staff were often 'impertinent and incompetent' and a sense that the institution itself was more important than the public ('Elements of Rate-Fixing in Public Services', Journal of Public Administration, Volume III, No.1, 1925: 58).

In structural terms there was also the problem of the way in which the Treasury used the Post Office and the BBC as a form of taxation. In the case of the Post Office there was a tendency, during national crises, to use the price of postage to raise large revenues, which is what had occurred during World War One ('The Theory of Post Office Policy', Public Administration, G.H.Stuart Bunning, Volume IV, No.1, January 1926: 24-30). Meanwhile the BBC's licence fee had been used by the Treasury as an instrument of taxation, at the same time that the Corporation was starved of the money it needed for capital developments such as high power stations (J.C.W. Reith, 'Business Management of the Public Services', Public Administration, Volume VIII, No.1, 1930: 22).¹²

¹² Of the ten shillings subscribed by the listener only seven shillings reached the BBC; twelve and a half per cent went to the Post Office for administration of the licence, while the

As far as the Post Office was concerned these criticisms were part of a long running debate, during which demands were made either for the greater accountability of the Post Office to Parliament, or that the Post Office should become a public corporation. Reith argued for instance, that

many of the activities now carried out by government departments [should be] brought away from the Civil Service, and still more direct from Parliamentary influence. I consider a body, constituted much as the Broadcasting Corporation, to be suitable for the conduct of public services such as posts, telegraphs and telephones, pensions and insurance, power, transport and mines ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 30).

This was a debate which culminated in 1932 with the Bridgeman Report in which the idea of setting up the Post Office as a public corporation was finally rejected, the principle of Parliamentary accountability reaffirmed, and the telegraph, telephones and mail services were merged. These developments did not please future Labour Prime Minister, Clement Atlee MP, who was in favour of a Telephone and Telegraph Board which with considerable powers of independent action 'would do the trick' ('The Bridgeman Committee', Public Administration, Volume X, No.4, October 1932: 355)

As far as broadcasting was concerned, in 1930 Reith, in an uncharacteristic fit of modesty, admitted that the story of the BBC was indeed one whereby 'policy and circumstances' and not his own individual genius, had come together to 'impose a public service character on to an organization of definitely commercial form, and how such an organization - so far as its working, and even its position vis a vis the individual consumer - was able to pass over into the public service form without break of continuity'. This continuity had been provided by the concept of the public interest, since it was the consumer who was 'implicit

Treasury kept ten per cent on the first million licences, twenty per cent of the second million, thirty per cent of the third million and forty per cent of the fourth million.

in the whole conception of public service' and 'benefit to the consumer is the starting point of the whole problem' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 16).

Nevertheless, the early constitution of the BBC had been 'wrong', even though in practice it had worked 'excellently'. It was wrong because it left listeners almost entirely in the hands of the company (which in effect meant in the hands of the wireless trade); and because only a breach of licence could bring an action by the Postmaster General, and there had been no way for him to ascertain whether programmes were 'reasonably satisfactory' or not ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 17).

Despite this, he was also certain that at

no times were the interests of the public or the interests of Broadcasting in general perverted to the hypothetical interests of the wireless trade. Never was a decision made which did not have regard primarily to the interests of Broadcasting; that is the same as saying the interests of the public...Broadcasting was administered as a public service from first to last under the Company ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 18).

Furthermore, he credited the Postmaster General amongst others, for his 'insistence on unified control'. It was this, which had, in his opinion, led to the success of broadcasting in Britain. He believed that the Postmaster General, and the others involved in the company's establishment, had been under some pressure to allow more than one broadcaster; however, 'they worked systematically for one, and in the end they got it' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 18).

Of the constitution which replaced this early, defective model, Reith argued, it was a type often used for public or quasi-public services. He thought it may or may not be successful, and echoing Bunbury, thought it was probably

'inevitable in [the] circumstances where State funds for launching or purchase are not available' ('Business Management of Public Services, Public Administration, Volume VIII, No.1, 1930: 19).

More importantly however, the changeover from private company to public corporation had left the:

administrative system and the policies...unaltered. The fundamental principle of public service, deliberately adopted under the old constitution, and the determination with which it was prosecuted, decided the change which came. Under the old system, broadcasting had grown into a force of the first magnitude. That it should be defined merely as a vehicle of entertainment had never been accepted here. Conscious social purposes had been given to the exploitation of the new medium without, however, overlooking the importance of good, healthy and satisfying entertainment. The stewardship had been interpreted as carrying the responsibility of contributing constantly and cumulatively to the intellectual and moral well-being of the community. A fresh tradition of public service had been founded. A new national asset had been created ('Business Management of Public Services, Public Administration, Volume VIII, No.1, 1930: 20).¹³

The public service broadcasting system did have some flaws; in particular, broadcasting found itself 'playing second fiddle' to the military when it came to the allocation of frequencies because of the continuing power that the Postmaster General had over the allocation of licence fees. This was because 'in some ways the Corporation's licence from the PMG is distinctly a one-way document. This is the natural outcome, on paper, of the

¹³ Reith pointed out that the new broadcasting corporation was not simply a national asset in ethical or cultural terms but that the state had benefitted financially from the transfer. For instance, it had collected £2,925,000 in licence fees and only £1,786,000 was paid over to the company. The state also collected income tax on the annual surplus carried over for development. It also made money (for the Post Office) through the use of telephone lines for the 'simultaneous broadcast network'. Finally it made money on the transfer of assets from company to corporation; as well as the revenue earning capacity of the 2,178,000 licences in force, a publishing activity worth at least £100,000 a year plus and expert staff and organisation (Volume VIII, No.1: 20).

statutory principle that the right to transmit wireless signals is a State prerogative, and is only exercised by other parties in the capacity of concessionaires' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 22).

Of the system in general however, he was fully supportive, arguing:

I uphold the monopoly system, subject naturally to certain safeguards in the public interest. In some circumstances it is essential; in others, at least highly desirable; its absence is often unfortunate and even disastrous...One hears a good deal that is absurd about the benefits of competition as a stimulus to effort. Some advantages of competition are obvious; at least equally obvious in my view, much more so, are its disadvantages in waste, undercutting and overbidding...The very fact of monopoly is a stimulus, or at any rate it is so to the right kind of people ('Business Management in Public Services', Public Administration, Volume VIII, No.1: 23).¹⁴

This statement was similar in substance and tone to one made by R.G.Hawtrey in 1926, who argued that public utilities were services where

competition would be wasteful, while if left in private hands a monopoly would, or might be, burdensome to the consumer; therefore the State steps in and takes the monopoly to itself in order to secure the customer against exorbitant charges...A profit is not by any means essential; it may be in the public interest that some services should be run at a low cost (discussion following presentation of 'The Theory of Post Office Policy' by G.H.Stuart Bunning, Public Administration, Volume IV, No.1, 1926: 34).

¹⁴ Reith noted for instance that the BBC's problems in this respect were special to broadcasting, but only up to a point: 'There was a policy of idealism even under the old commercially constituted regime'. He was aware that the notion of idealism was often ridiculed, but was certain that 'to 'give the public what it wants' as the saying is, a dangerous and fallacious policy, involving almost always an under-estimate of the public's intelligence and a continual lowering of standards. Thus, paradoxically, it turns out to be not the monopoly system but the competitive system that is obliged to play for safety...it is not insistent autocracy but wisdom that suggests a policy...of giving people what you believe they should like and will come to like' (Volume VIII, No.1: 23-24).

Reith himself linked public service broadcasting with other branches of public service activity by acknowledging the contributions made by the Institute of Public Administration;¹⁵ concluding that while it was 'impossible to serve God and Mammon' it was 'at least as difficult and vexatious to serve public and shareholders together' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 24).

In particular, he argued that Sir Henry Bunbury's 'desiderata on the control and management of public utility services' (Introduction to the Institute of Public Administration Summer Conference, Public Administration, Volume IV, No.4, October 1926) had been 'fully comprehended' by the BBC's current constitution. These desiderata were: freedom from political interference in the management as distinct from general policy; disinterestedness and expertness; and 'an area of operation which is economically the right area'. To these Reith added two more criteria of his own: equitable and adequate financial arrangements and monopoly; and in his view there was 'considerable interaction between these essentials - for instance, between monopoly and a rightly chosen area for its operation between expertness and disinterestedness' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 25).

Where Reith's idea of public service parted company with Bunbury's however, was over the question of accountability. Bunbury recognised the need for a definition of 'spheres of activity' for representatives and for officials but Reith was concerned by the implications of this. In his view 'it would be

¹⁵ Reith referred to 'one of your 1926 speakers' who had stated that competition was only best for the community up to a point; and another who referred to economists who now believed that the waste which resulted from unlimited competition was best abolished and replaced by monopoly under proper safeguards (Volume VIII, No.1: 24). Clearly Reith was well aware of the kinds of debates which had been going on in the journal.

difficult to exaggerate the importance of freedom from political interference in management as distinct from policy...I consider it most undesirable to have elected representation on the governing body of the organization to which the conduct of a public service is committed. Elected representatives...should certainly be able to control policy, but only policy in a wide sense of the term' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 26).

Reith also raised the issue of the expert versus the generalist by arguing that 'disinterestedness is implicit in the idea of the non-profit making public corporation' (Volume VIII, No.1: 28). Disinterestedness was at the heart of the decision to appoint Governors who were not experts or specialists, or specifically associated with broadcasting work, unlike in other countries. Reith admitted that there was room for manoeuvre on this question of expertness, believing that the crucial point was the position of the chief executive, for 'if the constitution be such that he has large powers, subject only to trustee supervision, then I think it is clear that he should be a general man and not an expert. If on the other hand, the chairman is the mainspring, then...[he]...may well be a specialist' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 29).

Finally Reith turned to the question of national broadcasting arguing that the British system 'of self-containedness under a State appointed controlling body tends to be copied more and more' and that 'no area less than that of the nation is really and truly a good unit for broadcasting. I am not suggesting that this would hold good for any and every public utility, but I do suggest that it should be the exception, rather than the rule, for any field less than the national field to be taken as the unit'. In this way, 'with administrative efficiency and public safeguards both provided for, we really come down to defining monopoly, that much abused expression, as the sole and completely inclusive management of the utility within the

economically right area' ('Business Management of Public Services', Public Administration, Volume VIII, No.1, 1930: 30).

Concluding remarks

It is clear that Reithian public service broadcasting derived the greater part of its inspiration from the pre-existing philosophy of public service. Equally evident is the extent to which it was the bureaucratic and administrative interests of the Post Office which helped legitimate broadcasting as a public service.

The emergence of public service institutions like the BBC also underlined the extent to which the principle of state intervention had become less politically controversial. Indeed, a new principle had been established; one that asserted the view that in some areas rational administration (and sometimes the public or national interest) were best satisfied by public control. Control did not mean however, some kind of despotic government interference (even if critics have accused governments of this in relation to the BBC); control was about management. In effect therefore, broadcasting was largely understood as an administrative problem which needed to be managed by the state (but not directly by it); and public service and public corporations were viewed as a managerial solution to a political problem.

Public service institutions were however, not a universal panacea to the difficulties of administration. In particular, public corporations like the BBC had underdeveloped mechanisms of public accountability, and were instrumental in the creation of a 'public service elite'; this elite increasingly failed to either represent the various listening (or viewing) 'publics' nor was it able to keep abreast with changing social and cultural developments.

However, Bunbury's 'desiderata on the control and management of public utility services' which had included freedom from political interference in the management as distinct from general policy, disinterestedness, expertness, and 'an area of operation which is economically the right area' (to which Reith had added equitable and adequate financial arrangements and monopoly) continued to animate public service broadcasting even when the monopoly was broken in the 1950s.

However, Reith's focus on the need for equitable and adequate financial arrangements, contain a warning for the future of public service broadcasting. Part of the reason why public service broadcasting has been able to survive has been its ability to respond to changing circumstances; this flexibility has partly been a result of the fact that each of the main broadcasters have been able to develop autonomous financial arrangements; the BBC had the licence fee, ITV the lion's share of advertising, and Channel Four was 'protected' by its financial arrangement with ITV. Since the late 1980s however, this balance has been under attack, and the future of public service broadcasting will depend upon the ability of policy makers to create conditions which will lead to 'adequate finance' in the 1990s and beyond.

Chapter Five

Public service, public service broadcasting and the question of efficiency

By the 1920s, public service theorists were arguing that if public service institutions, as exemplified by public corporations, could deliver their services efficiently (both in human and technical terms) then the fact that they undermined democratic accountability, and the supremacy of Parliament, could be effectively overlooked; that efficiency could be an 'alternative to control' (Sir Henry Bunbury, 'Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928).

However, this idea that it was acceptable or desirable for efficiency to replace political control or accountability was highly controversial and part of a longer term political debate about how mass industrialised democracies ought to be organised, and in whose interests. In fact, the idea of administrative efficiency was not a new one. From 165 B.C. Chinese officials had been 'selected by examination and Chinese administration was familiar with notions of seniority, merit ratings, official statistics and written reports' (Martin Albrow, 1970: 16). However, the question of whether efficiency could, or should, act as a substitute for accountability was a problem for modern democratic societies, and in particular a problem for the operation of public services.

The goal of efficiency in the management of public services, has been further complicated because historically there has been little agreement on what efficiency might entail. For some efficiency was used to extol the virtues of state control (for example Reith argued that centralised, monopolistic control of broadcasting was more efficient than competition); for others efficiency implied the need for market forces and for stringent fiscal measures (Peacock report, 1986). However, by the 1920s

public service theorists were interpreting efficiency as having a clear social or human dimension; so that an efficient service was one which served the public interest. This was to be particularly true of public service broadcasting; although, in communications (the mail, telecommunications and railways) efficiency was, as we shall see, viewed rather differently.

5.1 Efficiency in communications

Efficiency had been an important rationale in communications from the early days of the Royal Mail to the era of telecommunications. However, in the case of the Post Office and the Royal Mail the emphasis was on economic efficiency - how to provide a cost effective service which was also able to distribute low cost benefits to the greatest number of subscribers as possible - rather than the non-economic concepts of public interest which were associated with the establishment of broadcasting.

Debates about efficiency had also been dominant in telecommunications since the late nineteenth century, and in both cases these arguments about efficiency in communications engaged with debates about the relative merits of the state and monopoly as opposed to the private sector and competition, in the efficient management of the service. In telecommunications these debates survived privatisation in the 1980s and have remained at the heart of the wider debate about public service (Nicholas Garnham, Mathieu Joosten and Jenny Owen, 1994: 41).

Telecommunications policy was initially shaped by the experience of Indian colonial administration. Here a state controlled telegraph monopoly was defended on the grounds of efficiencies stemming from unified control and planning and the externalities which flowed from low tariffs and thus affordability. By the time the Telegraphs Act (1863) was passed a number of characteristics of a public service had been agreed

upon. These included non-discriminatory access, uniform published tariffs, rate averaging, tariff regulation and affordability.

As far as the telegraph was concerned the decision to nationalise as a state monopoly was taken on the grounds of business pressure, and not ideological preference. Business argued for instance, that under the control of the state the telegraph would develop a national infrastructure and be able to compete on international markets, as well as provide affordable, universally available service. The stress however, was on the very public nature of the service to be undertaken.

Telephony developed in a climate where efficiency arguments were used to justify intervention on economic and political grounds. Initially however, telephony was viewed almost as a luxury, one which ought to be regarded as a normal commercial business, whether run by the state or not. This was unlike postal and telegraph facilities, which because of their public importance, could be provided (at least in part) out of tax revenue. There were therefore, important distinctions to be made between different public services - some ought to be profit making, some need not, and control by the state was not the deciding factor.

This was an important point as far as the development of the theory of public service was concerned. For example, it was considered quite acceptable for public services like the Post Office to operate, to some degree, as commercial organisations without compromising their public service character (G.H. Stuart Bunning, 'The Theory of Post Office Policy', Public Administration, Volume IV, No.1, January 1926: 24-40).

This mirrors current debates about the public service future of the Post Office and the question of the BBC's commercial activities. Some have argued for instance, that commercial interests are incompatible with public service; however, in the

1920s it was accepted that some public services would have a commercial element and this was not incompatible with the idea of regulation in the public interest, or indeed public ownership.

5.2 National efficiency and imperialism

At the turn of the century efficiency was also linked to support for imperialism; and while imperialism and the Boer War were to split the Fabians and 'divide the Liberal Party into fragments' (Carole Seymour-Jones, 1993: 245) the idea of efficiency remained important and one which was used to legitimate Britain's imperial role. Sidney Webb for instance, coined the term 'national efficiency' (1901) and advised the Liberals to become a party of National Efficiency; a party which could 'clear the slums, abolish sweated trades, eliminate inefficiency in government, restore British commercial supremacy, adopt policies of reform in housing, sanitation, poor law and education' and 'ensure the rearing of an Imperial race' (Harold Perkin, 1989: 158).

In 1902 the Webbs set up the Co-Efficients Dining Club, which it was hoped would be the think-tank behind this new party of national efficiency. The club was composed of 'experts sympathetic to imperialism' (Carole Seymour-Jones, 1993: 260) but didn't survive Chamberlain's Tariff Reform campaign of 1908.¹ Later the Webbs were to back the Liberal imperialists, known as the 'Limps' and who included Lord Roseberry, H.H.Asquith, R.B.Haldane and Sir Edward Grey. This Liberal League, a party within a party, lobbied for a combination of imperialism and

¹ These were R.B.Haldane for law, Sir Edward Grey for foreign policy, H.J.Mckinder (the inventor of geopolitics), Sir Clinton Dawkins for finance, W.A.S.Hewins, director of the new London School of Economics, Leopold Maxse editor of The Nation, a patriotic journal, Carlyon Bellairs for naval questions, Leopold Amery of The Times for army reform, William Pember Reeves, agent general of New Zealand for the colonies, Sidney Webb for local government, H.G.Wells for literature and Bertrand Russell for science (who left repelled by their imperialism).

social reform, as did Conservative politician and Colonial Secretary, Joseph Chamberlain, who was in favour of using imperialism (tariff reform and imperial preference) to unify the empire and provide the finance for social reforms such as old age pensions.

The concept of national efficiency had great merit from the point of view of all political parties. Conservatives viewed it in terms of social stability, to prevent discontent and revolution and a means of protecting private property; Liberals saw it in moral and technocratic terms, as the right of every citizen to the basic necessities of life, to protection from the more harmful effects of industrialisation and urban life, to a fairer start in education and health. This was not simply because it was more just, but for the sake of the economic, political and military survival of the nation (Harold Perkin, 1989: 139-140).

National efficiency also appealed to the self-interest of all three major classes.

To the traditional landed class and its military off-shoots, worried lest an urbanised industrial society should not be able to defend itself against the vast conscript armies of the continental powers, it offered an answer...To the capitalists concerned about the declining competitiveness of British industry and trade and the increasing bitterness of industrial relations, it offered the prospect of fitter, healthier and better trained and educated workers, and the hope of more harmonious conditions in the workplace. To the working class it offered a larger and more rapid progress towards social improvement and a fairer society than they could have achieved by their own unaided efforts (Perkin, 1989: 159-160).

Prior to the outbreak of World War One therefore, efficiency was understood in terms of national survival as well as social reform. The war had ushered in a greater degree of state control and 'national efficiency' than had existed before, but most of these measures were reversed in 1918. However, by the 1920s the idea of efficiency had been absorbed more completely into the political mainstream and was increasingly associated with the developing philosophy of public service.

5.3 Efficiency and public administration

In 1923 Lord Haldane's opening presidential address to the Royal Institute of Public Administration described British public administration philosophy as 'a science and an art'. For Haldane, the appeal of a public service career was 'performing service to the public', while the stated aim of the newly launched Journal of Public Administration was to be the 'efficiency of public services and the efficiency of public servants' (Journal of Public Administration, 1923, Volume 1, No.1: 3).

Haldane argued that in administration 'what must be sought is efficiency and economy', but that these ought to be measured in terms of human consequences as well as economic ones.

Administration is the product of civilization. We must act like the captains of industry ... but without relying solely or even mainly on the profit motive, as they do, because there are powerful incentives such as patriotism and honour which can be made to have an even greater appeal (Journal of Public Administration, 1923, Volume 1, No.1)

This peculiarly British definition of efficiency has been described as 'cultural-humanistic' as opposed to the American, which is viewed as 'computer-behavioural' (Marshall.E. Dimock, 1978: xii). The British perspective was 'liberal' because it depended on ideas of rationality in both the administration and the citizenry, because it 'put its trust in democracy' and 'distrusted the expert'; and because it focused on the efficacy of 'reserved' power as opposed to concentrated power; and was 'underpinned by a faith in the power of improvisation and self-reliance and a trust in character and honour more than technique' (Marshall.E. Dimock, 1978: xii).

The American approach on the other hand was much influenced by F.W.Taylor's influential ideas about scientific management. In the USA public administration had tended to look for 'scientific' solutions to the problems of administration and

industry.² In other words efficiency bore a greater relationship to the need for economy and for commercial considerations. This was different from Britain where there was an attempt

to unite scientific thinking with ethical thinking; the British administration was not either a science nor an end in itself, instead it was a means of achieving a higher form of civilisation by upholding the ethic of service to the community (R.M. Thomas, 1978: 11)

This was not to say that the British were never concerned by narrower and more technical definitions of economy and efficiency, because clearly they were. It was just that in Britain the context was different. In the United States, the goals of economy and efficiency were seen as synonymous with scientific management and the country had been pervaded by an 'efficiency craze'.

In Britain in particular, the goal of technical or productive efficiency had come up against the obsession with bureaucracy. In this sense the British had an alternative 'craze'; the fear of bureaucracy (R.M. Thomas, 1978: 19).³ Ironically it was partly due to the fear of bureaucracy that more mechanistic approaches to efficiency were suppressed and humanistic ones embraced.

² In the USA F.W.Taylor is credited with establishing the scientific study of business administration with his book The Principles of Scientific Management (1911). In Britain on the other hand there was much scepticism about the possibility of purely scientific responses to human problems. Cf. Harry Braverman and the industrial pessimists cited in Collins et al., The Economics of Television, London, Croom Helm., 1987.

³ The war on 'red-tape' is revived from time to time, most recently in the 1980s and 90s under the Conservatives. The latest attempt was led by the deputy prime minister, Michael Heseltine in August 1995, in an attempt to boost the Conservative's standing in the opinion polls. More generally, however, the distrust of bureaucracy can be linked to the long-term debate about the role of the administration in modern states and the threat they pose to democratic accountability.

5.4 Efficiency in public services

Sir Henry Bunbury, writing in a special edition of Public Administration, devoted to a discussion of the question of efficiency in public services, wrote that the issue of efficiency versus 'control' or political accountability was the most important element of British administration theory ('Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928: 97). Bunbury believed that in the USA the debate was understood in terms of integration versus disintegration;⁴ and in his view, both systems carried a risk. In the case of the integrationists, there was the possibility of a paralysis of initiative and enterprise; and in the case of disintegrationists, the 'evils of political graft' must be avoided ('Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928: 98).

Bunbury believed that control could operate in three main ways. It could be protective, that is external to the unit which it operated, balancing one lot of users against another; it could be co-ordinative, by securing consistency of performance; and it could be directive by being concerned with efficient performance and right decisions. Bunbury's main concern was with this latter area, of securing good organisation, efficient performance and right decisions ('Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928: 98-9).

For Bunbury the key issues were firstly, whether efficiency or orderliness 'can be bought at too high a price and is not a

⁴ Integration was the idea of administrative hierarchy and disintegration the view that administrative units operated independently subject only to their responsibility to the electorate. An example of integration was a Medical Officer responsible to his Medical Council. An example of disintegration was a Medical Officer elected to his post for five years and answerable to the electorate at the end of this period. Advocates of the latter believed it exemplified the theory and practice of American political thought which abominated hierarchy and that it was also more efficient ('Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928: 98).

primary desiderata' and that it results in too much control. He did not think efficiency and accountability were incompatible, just that sometimes it was a question of either or and not both at the same time (Ibid: 96). And secondly, there was the question of a definition of efficiency. In the USA efficiency was linked to scientific management and engineering conceptions of efficiency; in British public services efficiency was also measured by the use of 'objective standards' however, there was also an element of 'personal judgement' and 'argument and observation' (Ibid: 99-103). In short, Bunbury appeared to take the view that there would be more efficiency with less control.

Using the example of the relationship between Parliament, the government and the BBC, Bunbury argued that 'here we have a definite experiment in relaxing Parliamentary control, and if it is to succeed it can only be through the proved efficiency of the Corporation in discharging its functions' (Ibid: 104-105). In other words that a loss of Parliamentary control over public services was acceptable on the grounds of efficiency.

Other contributors to the debate about efficiency in this 1928 edition of Public Administration were more cautious than Bunbury. A.J.Waldegrave for instance, feared that the loss of accountability, even if there were efficiency gains, would lead to authoritarianism; quoting William Blake, he argued that 'hell is inhabited by those who having no passions themselves, spend their lives curbing and governing those of other people' (discussion following presentation of Sir Henry Bunbury's paper, 'Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928: 112). Others pointed out that support for more efficiency did not mean support for the American system of scientific management which was 'machine like in conception and in-human in its operation' (Mr Elvin of the National Union of Clerks in discussion following presentation of Sir Henry Bunbury's paper, 'Efficiency as an Alternative to Control',

Public Administration, Volume VI, No.2, 1928: 113).⁵

Some disagreed with Bunbury's view that there would be more efficiency with less control. Mr Platts, the County Clerk from Cornwall, thought that the English Civil Service was efficient because there was control, and J.H.Rothwell, Town Clerk of Brighton, thought that Bunbury was giving too much credit to American ideas, but that in local authorities too much control had resulted in the inhibition of initiative (discussion following the presentation of Sir Henry Bunbury's paper, 'Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928: 106).

Meanwhile, Mr Elvin of the National Union of Clerks argued that scientific management was only

there as a means to an end and that end was not the well-being of the worker. I feel strongly that we shall never be able to get the ideal of efficiency until the individual worker feels that his task is one on which he can concentrate his very best, and that by accomplishing it successfully, he is rendering the best service to himself and to the community (Ibid: 113).

Thus, even those who were sceptical about the techniques of scientific management and the dangers of efficiency displacing political accountability, were nevertheless motivated by the ideal of efficiency; however, it was an efficiency which was understood in human terms, an efficiency measured by the extent to which it fulfilled, firstly, the individual and secondly, provided a service to the community.

Mr Masters of the Indian Civil Service made the same point:

The development and expression of personality in a man's daily work are of vital importance...in the civil or

⁵ Bunbury disagreed. He believed that scientific management had moved on from being the simple invention of engineers ('Efficiency as an Alternative to Control', Public Administration, Volume VI, No.2, 1928: 115).

municipal services people could feel that their employment was not merely a means of earning a livelihood but was also a service to the community (Ibid: 113).

Sir H.J.Wilson, writing about trade unions and efficiency, concluded that in general trades unions had helped promote rather than retard efficiency, by improving personnel, wages and conditions of employment, as well as influencing methods of production and changes in technique (Ibid: 116).

It was argued that efficiency in the pottery, printing and tinplating industries, had been improved because of the flowering of Joint Industrial Councils and similar bodies. In Flour Milling for instance, a Technical Education Committee, a Factory Committee and a Dermatitis Committee had been set up; and the London Bus Service had developed Garage Committees (Ibid: 117). In the Civil Service, on the other hand, wage councils or Whitley Councils were believed to be responsible for creating within 'departments a team spirit and a sense of unity which cannot fail to promote efficiency' (Ibid: 119).

It is impossible not to see the hand of Fabian socialism in this particular view of efficiency. Beatrice Webb had been a member of the 1917 Reconstruction Committee and of course both Webbs were career committee members. Leonard Woolf recalled a lunch with the Webbs during which Beatrice 'talked incessantly and every tenth word was committee. She has apparently succeeded in inventing a committee for babies, a committee for the disabled, and a committee for the dead' (Carole Seymour-Jones, 1993: 294 citing The Diary of Virginia Woolf, Volume 1: 74).

Two considerations lay behind Bunbury's support for public utility organisations; firstly, efficiency and secondly, the fact that 'public opinion is unwilling, whether wisely or unwisely to leave the provision of key services of modern industrial life to uncontrolled economic forces' ('The Economic Regulation of Public Utility Services', Public Administration, Volume IV, No.3, 1926: 208). However, he remained concerned about the lack of

competition within the utilities themselves and how this absence related to questions of control by or accountability to Parliament.

Private enterprise, Bunbury believed, was useful in the initial stages of an enterprise and running the inevitable risks of the development period (as in the case of broadcasting); however, after this 'state or municipal ownership and operation' produced the 'best service to the community' ('The Economic Regulation of Public Utility Services', Public Administration, Volume IV, No.3, 1926: 214).

Subsequently, the success of a public service was to be measured by questions of cost, quality and efficiency; and at an Institute of Public Administration Summer conference in the same year, he outlined the four desiderata for a good public utility authority. These were freedom from political interference in the management of the utility as distinct from general policy, disinterestedness, expertness and an area of operation which was 'economically the right area' (introduction to the IPA Summer Conference 1926, Public Administration, Volume IV, No.4, 1926: 283).⁶

A good public utility authority, it was also agreed, would take into account consumers' interests and perhaps, involve labour representation; although conference members agreed that 'there was little or no advantage in an adequate representation which cannot carry with it a real responsibility'. Equally, there was a need for such organisations to have 'autonomous finance...subject to the condition that there must be an external financial control' (Public Administration, Volume IV, No.4, 1926: 284).

⁶ Bunbury did not specify what these areas were, however, he made it clear that while a pre-condition of monopoly was not necessary, public opinion ought to be in favour of them. In Reith's 1930 contribution to Public Administration, 'The Business Management of Public Services' he based his arguments about the BBC on Bunbury's four desiderata (Volume VIII, No.1).

In another special edition of Public Administration in 1929 the management of public utility undertakings was given consideration by Neville Chamberlain MP (and future Conservative Prime Minister), J.H. Broadly, Ernest Bevin (General Secretary of the Transport and General Workers' Union) and Sir Henry Bunbury. Again, efficiency was linked to public service. Chamberlain, for example, accepted that efficiency in a public utility undertaking may not be measured simply by cost alone, however, he also stressed the need for management to be fully in control of finances ('The Management of Public Utility Undertakings', Volume VII, No.2, 1929: 105). Meanwhile Bunbury summarised the concerns which lay at the heart of public service philosophy:

How is protection of the interests of the consumer best attained? How can public control and enterprise of management be reconciled or are they incompatible? What are the relative advantages and disadvantages of control by contract or control by regulation? Within what limits and on what principles should the policy of making the fat traffic pay for the lean be followed? Should public enterprise aim at profit or at giving service at cost? In what conditions is it economically advantageous to provide public utility services at less than cost? By what means can satisfactory relations with the consuming public best be cultivated or maintained? What are the various means of securing continued efficiency of performance? ('The Management of Public Utility Undertakings', Public Administration, Volume VII, No.2, 1929: 111-112).

Furthermore, Bunbury concluded that although the solutions to the problems which faced public utilities might differ 'they will probably be found to rest on principles which are in the main common to all of them. That is what we mean when we speak of the science of public administration' ('The Management of Public Utility Undertakings, Public Administration, Volume VII, No.2, 1929: 112).

For Bunbury the core principle was efficiency and this was linked to 'public goodwill' which implied the cultivation of excellent public relations: 'the ultimate test of success is not that the public should be well served, but that it shall know itself to be well served' (Ibid: 114). Three lines of action were

necessary to procure the public's goodwill. Firstly, the public needed to be informed and educated as to the conditions under which the utility operated - this included its general policy, technical developments and improvements.

Secondly, there needed to be a definite machinery for dealing with the public, for 'ascertaining what the public wants (or more precisely, various sections of it) want, and in what respects the service given falls short of its desires; and for giving consideration to its complaints, especially where there is a monopoly - for in such a case, nothing undermines public confidence in it so much as its apparent inaccessibility'. Thirdly, every rank and grade of the organisation needed to consciously try to win the goodwill of the public although 'this is a purely personal obligation; it may be encouraged but it cannot be organised or departmentalised' (Ibid: 115).

Public goodwill encouraged efficiency because it had a positive effect on the organisation and on management's 'liberty of action and enterprise' which as a public concern was normally constrained in some way' (Ibid: 115); and service at cost should be the aim in public utilities, but profits could no longer be the sole test of efficiency, and other ways of measuring achievement would have to be found.⁷ Equally, financial rewards were considered as only one element which helped keep workers satisfied. Referring to the 'new science of personnel management' Bunbury suggested that they also needed to obtain a 'sense of achievement and the knowledge of what has been achieved by the organisation of which he forms a part' (Ibid: 117).

Bunbury also warned against overloading 'the promotion machine as an incentive' to workers; and seemed to be suggesting some kind of social wage when he criticised the 'traditional plan

⁷ Either comparison with past performance or with the performance of others; hence the need for data and statistics and the general standardisation of statistical forms ('The Management of Public Utility Undertakings', Public Administration, Volume VII, No.2, 1929: 117).

of an exclusive time-wage [which] is defective and inadequate'. In his view public utilities ought to find some means of giving their 'servants an interest in achieved results. Not in profits...but in the general efficiency' (Ibid: 118). In other words, efficiency in public services was not about making profits but to do with expressing the general good or interest of the whole community or society.

For other contributors efficiency was related to the 'service rendered and the cost' which in turn was linked to the 'area problem'; that is whether utilities ought to be controlled locally or centrally. The view was that greater economies of scale could be achieved through centralised amalgamations because the 'pooling of resources' would allow the 'consumer [to] secure a service which meets all his needs'. This process, argued Broadly, was already occurring in the electricity, water and gas industries, and it was 'public opinion' which ought to be 'taken to be a fair index of the efficiency of an undertaking' (J.H.Broadly, 'The Management of Public Utility Undertakings', Public Administration, Volume VII, No.2, 1929: 122-125).

'Pressure from the community and efficient service, and the continuous pressure of the workplace for improvement in their property and standard of living' were Ernest Bevin's solutions to the management of public utilities; however, he was less enthusiastic than Bunbury about the extent to which utilities ought to be open to continual scrutiny, calling it 'unfair to the management and the operatives'. In his view 'it should be the duty of all parties to give of their best service to make the concern a success' ('The Management of Public Utility Undertakings', Public Administration, Volume VII, No.2, 1929: 132).

5.5 Broadcasting and efficiency

The debate about efficiency in public services has been an enduring one; and the fortunes of public service broadcasting have been much affected by government approaches to public service in general. Thus in the 1980s, the way of thinking which led to the privatisation of public utilities, was also being brought to bear on public service broadcasting. In particular, this was a set of ideas which proselytised an efficiency which was based less on the 'human factor' and increasingly on economic definitions.

In the 1980s this definition of efficiency in public service was applied to both the BBC and to ITV; and indeed, because the BBC was relatively more difficult to deal with, it was ITV with its public service style regulation, which was the first to be affected. This process began with the auctioning of the ITV franchises in 1991 and had been preceded and accompanied by the 'efficiency' drive within independent television. This was a period characterised by large scale redundancies and streamlining of the sector. In the BBC there was a corresponding drive for efficiency, which had accelerated in the period prior to Charter renewal in 1996; this culminated in the imposition of Producer Choice in 1991. This stress on economic efficiency was partly a response to the increasingly competitive multi-channel broadcasting environment and partly a response to wider political developments.

If efficiency has been an enduring goal and a defining theme for the public service concept, it has also, as we have seen, undergone many transformations since the 1920s; and the example of broadcasting offers an excellent case study in the way the debate about efficiency has developed. For example, in the 1980s and 90s the idea of efficiency in broadcasting implied the imposition of market forces and a greater competitive climate in the public sector. In 1923 however, the Report of the Broadcasting Committee (Sykes Report) [Cmd 1951] described an

'efficient and attractive' service which seemed to imply a public monopoly of broadcasting. For example, Sir William Noble of the British Broadcasting Company, suggested that it was 'far better for the public to have one broadcasting station rather than two in an area, and it is also more economical' (8 May 1923: Minutes of the Sykes Committee).

Reith was also steeped in these kinds of arguments about efficiency. For instance, during World War One he had been sent to the USA by the Ministry of Munitions to take charge of the inspection of small-arms contracts and to oversee the production of rifles; and it was during this period that he had become acquainted with US management techniques and had his first taste of managing labour relations (Ian McIntyre, 1993: 64-5). After returning from the USA Reith was employed as general manager of the Beardmore engineering works at Coatbridge and 'plunged into a course of reading on psychology with special emphasis on industrial efficiency' (Ian McIntyre, 1993: 98).

Reith's conception of management was not entirely technical however, and although he was concerned to improve discipline (introducing a highly unpopular time clock) he also arranged for their to be 'carrots as well as sticks...Lectures and dances were arranged and there were concerts and football matches'. He also pursued the interests of his staff in the local community by trying to secure council housing for some of them. It was this management technique of 'strict discipline allied with special privileges' which would stay with him for the rest of his life (Ian McIntyre, 1993: 99-100); but was also entirely characteristic of the public service approach to efficiency.

Not surprisingly the debate about efficiency (what it was and how to ensure it) permeated the early discussions about broadcasting. Efficiency, it seemed, could also be applied to broadcast content, in particular to news and the control of 'improper' material. For example, during a discussion about a proposal to create a 'committee of interests' concerned with

news, Charles Trevelyan asked A. M. McKinstry of the BBC what the company's position was on the question. McKinstry stated that on principle there was no objection but in practice, and as a matter of business, it 'would destroy the responsibility attaching to the management by the officials of the company, and you would tend in that way to prevent efficient broadcasting' (8 May 1923: Minutes of the Sykes Committee).

In this context therefore, efficiency referred to the autonomy and professionalism of the broadcaster and the need to resist interference in the operation of broadcasting by particular interest groups. In other words, it was the BBC which should decide on matters of content and questions of editorial control; there could not be rule by committee of interested parties.⁸

Trevelyan responded that broadcasting was in a different position from the press, 'with the press the public has choice - hence public concern at the fact that you control the whole output'. McKinstry argued that this was the reason why broadcasting ought to 'keep away from controversial matter' particularly political matter. Trevelyan countered by saying that perhaps the public would like to hear both sides of the issue on the 'great public questions' and 'that if you are going to exclude everything which everybody thinks is doubtful you are going to make yourselves very dull and I am wondering what kind of satisfactory public control there might be over broadcasting without interfering with what you are doing?' Noble's response to this was that in his 'experience it is this kind of control which leads to inefficiency' (8 May 1923: Minutes of the Sykes Committee). Thus for Noble, if inefficiency implied public control, then efficiency suggested the freedom of management to operate on their own terms without interference; while for Trevelyan efficiency implied the opposite.

⁸ This was the principle. In fact the BBC continued to take its news from the press until 1928.

Efficiency arguments were also used by representatives of powerful press interests to support the continued reliance of the BBC on the press for its news. Lord Riddell the vice chairman, and T.W.McAran, the secretary, of the Newspaper Proprietors' Association, argued against the idea of broadcasters organising their own newsgathering, in the belief that it would prove too expensive, would result in 'creaming' and be less efficient than the press. In this case efficiency was used to justify an absence of competition. The main objection was that a BBC in control of its own news would adversely affect newspaper sales; in particular the press monopoly of sports and racing coverage (29 May 1923: Minutes of the Sykes Committee).

As Noble had suggested efficiency also implied not upsetting the government by broadcasting politically controversial matter. For instance, in a discussion about whether or not the Broadcasting Company was a de facto monopoly, Noble argued that not only did he think that the Post Office had not been serious about offering more than one licence to broadcast (although Post Office representatives denied this) but he believed that 'while the Broadcasting service was efficient no Postmaster General would think of granting any similar licences to anyone else' (8 May 1923: Minutes of the Sykes Committee). The implication being that the broadcasting of non-controversial matter was proof of the BBC's 'efficiency'.

Demands for a more technical definition of efficiency came from the representatives of the National Association of Radio Manufacturers who said they were interested in the 'provision of efficient' and 'ever improving quality of broadcasting'. They linked this to the necessity of having the proper revenues which would allow them the 'necessary plant development for the broadcasting of public entertainments and events of public interest' (15 May 1923: Minutes of the Sykes Committee). However, efficiency, or adequate financing, was also the means by which a public service could be guaranteed; so once again there was the sense that efficiency implied public investment of some kind.

Reith also mobilised efficiency arguments to justify keeping broadcasting in 'one pair of hands'. He argued that centralised control was a 'very great economy' and that it 'simplifies policy'. For Reith efficient service achieved better terms for the programme providers but more importantly offered 'centralised control' where nothing happened without Head Office knowing about it, which meant that there were 'administrative and censorship advantages'. For Reith efficiency was reducible to this notion of control - control within the administration itself - and 'control' by the government of broadcast content. Reith believed that this 'unity of control' would be lost if there were more than one company involved in broadcasting (14 June 1923: Minutes of the Sykes Committee); however, by control he meant management by a corp of professionals or experts, it was not an argument in favour of autocratic rule by the state.

The Sykes committee concluded its deliberations with the suggestion that the Wireless Societies should not have direct access to the BBC in terms of programme provision, and that the control and sanction of the broadcasting system should be in the hands of a public authority - the Post Office - so that all stations should continue to be licenced by the Postmaster General. Under 'present conditions' the committee opined 'efficiency is best secured by there being only one operating organisation' although it did not rule out future licences being granted if they were to prove 'desirable' (26 June 1923: Minutes of the Sykes Committee).

Three years later, the meaning of efficiency underwent further transformation. In 1925 the Crawford committee was convened to consider the future of the BBC in terms of its 'management, control and finance'. Post Office representatives, in a summary of broadcasting since 1922, suggested that the basis for the original licence to the BBC, had been based less on a desire to control content - the efficiency of Reith - and more to do with technical and economic definitions of efficiency. The Post Office claimed that the decision to offer only one licence

had been made because of technical limitations to do with the number of wavelengths available, the desire to cater for unremunerative districts, to prevent overlapping, to facilitate simultaneous broadcasting which would allow for better programmes at less expense, because it was easier to apportion the licence fee, because it allowed the company to afford better technical staff so better programmes resulted, because there would be savings in overhead charges and because it facilitated the broadcasting of special functions like speeches (19 November 1925: Minutes of the Crawford Committee). The issue of the control of content was assiduously avoided.

The Crawford committee recommended that the Broadcasting Company ought to be constituted as a public corporation with the 'status and duties' of a public service because it would enjoy more freedom and flexibility than a ministry of state, particularly in the area of 'public taste and necessity' (Crawford report, 1926: 340). The report stressed however that 'it must be remembered that the State is authorising individuals at their free will to use a monopoly vested by Statute in the whole Community. Moreover, the State safeguards the listener against exploitation, takes steps to maintain the efficiency of the service and also exercises its regulative powers without which broadcasting would be thrown into chaos' (Crawford report, 1926: 334). In this case therefore, the requirement that the broadcaster be efficient related to the need for political accountability.

By 1926 efficiency in broadcasting had become more clearly linked to the idea of the state as an enabling force and the stress, at least in theory, was on its ability to protect the consumer or listener from 'exploitation'. This was a new departure. During the deliberations of the Sykes committee efficiency had been seen in terms of the need to control politically sensitive content, and the need to get the balance right between control by the government and the autonomy of the broadcaster. By 1926 however, these concerns had been absorbed

and dealt with by the idea of the positive state, a state, which through the mechanism of the public corporation would allow the necessary degree of control over content as well as autonomy for the broadcaster; a state of affairs proven by the BBC's perceived loyalty during the 1926 General Strike.

After the establishment of the BBC as a public corporation the use of the concept of efficiency to legitimate the public control of broadcasting was used less frequently. Increasingly, technological arguments about the availability or shortage of spectrum, were used instead. However, the decision to allow the BBC to develop the new technology of television in 1935, was justified on the grounds of an economic definition of efficiency. For instance, the possibility that private enterprise might play a part in developing television was considered by the Selsdon Committee but rejected on the grounds that it would involve a 'departure from the principle of having only a single authority broadcasting a public sound service on air'; and because the process of 'adoption' of the television companies by the BBC, at a later date, would prove too costly (such an outcome, the report implied, was inevitable). In short, it was decided that it was 'in the public interest that the responsibility would lie with the BBC' (Selsdon report, 1935: 933).

From this period onwards the BBC's monopoly was defended on the grounds of an economic or technical efficiency. In 1951 for instance, the Beveridge Committee argued that television should remain in the hands of the BBC on the grounds of the likely expense in administration, engineering and research if two public corporations were to conduct television broadcasts; as well as delays in the development of the service (Beveridge report, 1951: 48-49). In fact, the arrival of commercial television in 1954-5 was instrumental in delivering quick, cheap and technologically adequate television to a mass audience, material proof that efficiency arguments were no longer sufficient to justify the continuation of the monopoly.

In 1962, a third television channel became available, and the Pilkington Committee explored what it called 'the purposes of broadcasting' in order to assess which broadcaster ought to be allocated the new frequency. The report argued that one of the difficulties of judging both the BBC and the ITA was that in neither case was there a direct financial relationship between broadcast output and the viewer. Therefore, for the Pilkington committee, broadcasting profitability could not be the test of 'efficient' performance.

Instead it was suggested that there was a need for criticism from outside to be brought to bear by some other means; in short interventions by the Governors of the BBC and the Members of the ITA were necessary in order for broadcasters to have access to and be able to interpret public opinion. In this case therefore, efficiency was to do with broadcasters fulfilling 'the purposes of broadcasting' (which had already been defined as having a moral or social purpose) and not to do with profitability or economy. Indeed, Pilkington made a scathing attack on the ITV companies for its commercial success in delivering audiences to advertisers but for not delivering the moral or social purposes of broadcasting.

By the 1980s efficiency was increasingly related to technical and economic arguments about the end of spectrum scarcity, rising costs in broadcasting, questions of broadcasting finance and choice for viewers as consumers. The 1986 Peacock Committee was concerned that the allocation of spectrum by governments encouraged the least efficient use of it and argued that if 'the present method of granting access to the radio spectrum can be shown to increase the costs of broadcasting to an extent which is significantly detrimental to viewers and listeners, then clearly this matter must be closely investigated' (Peacock report, 1986: 30-31).

Peacock maintained that there were inherent weaknesses in both ITV and the BBC. In the case of the BBC the main

difficulties were the absence of consumer sovereignty and of market signals which only direct payment for programmes could establish; the vulnerability of the system to political pressure, trade union and special interest group influence; the BBC's administrative structure, which generated tensions associated with large corporations organised on hierarchical lines and the unpopularity of the licence fee. ITV was also vulnerable to special interest group pressure, the method of allocating franchises was unsatisfactory, as was the method of regulating schedules, programme content and the IBA's power of veto. In Peacock's view public service had an 'endemic weakness in the control of cost and the pursuit of efficiency' and there was no accounting procedure which could substitute for the direct pressure of a competitive market (Peacock report, 1986: 132).

Peacock noted that it had received a large number of letters and memorandum on the subject of improvements in efficiency and concluded that as far as the BBC was concerned 'the public had a right to expect that broadcasting services should be provided at the lowest possible cost compatible with the provision of a service of high quality' (Peacock report, 1986: 120). For this reason, it was suggested that the BBC (and indeed ITV) ought to take more notice of performance indicators, since there was evidence of over-manning and wastefulness in both organisations. Equally, it was considered to be the job of the broadcasting legislators to isolate the objectives of broadcasting so that the broadcasters could become more rational and efficient (Peacock report, 1986: 120-123).

Concluding remarks

As we have seen, efficiency was an extremely flexible notion and its definition depended on who was using it at any given time. Sometimes it referred to economic productivity or financial economy, sometimes to service to the community or to pride in one's work or one's institution; sometimes it meant both.

By the 1920s it was increasingly understood that the efficient society was one where craftsmanship and creative expression played a significant role; where it was considered that administration should render a service to the community by supplying the public with quality goods at a reasonable cost and by stimulating social and educational activities in every locality; and where the happiness and well-being of the worker were provided for through the supply of non-economic incentives (R.M. Thomas, 1978: 22-24).

Efficiency intersected with other key debates; not least the question of how well suited public service forms of management were for the administration and management of industries or departments of state within democratic societies. In the case of broadcasting in particular, efficiency was tied to arguments about the role of the expert or professional; so that an efficient performance by the broadcasting organisation was judged by the extent to which the broadcaster was allowed to do its job of interpreting the public interest, unfettered either by government restriction or indeed, interference from the general public.

The idea that broadcasting was safe in the hands of its public service elite has of course been repeatedly challenged; and public service in general, with its exhortations to duty and service, has been accused of reinforcing existing inequalities (Raymond Williams, 1958: 316 and Harold Perkin, 1989). Williams in particular, has denied that the ideal of service is free of sectional interests, arguing that service to the community was offered up to the working classes as an 'interpretation of solidarity' which was no 'substitute for the idea of active mutual responsibility' or class solidarity. For Williams the idea of service was fundamentally reactionary, an example of 'false consciousness' because it prevented people from questioning the way society was ordered and in whose interests.

On the other hand, the idea of efficient experts has also

been used in public service broadcasting to protect broadcasting from unwarranted government interference in both content related and organisational matters; to that extent the privileged elite, the guardians of broadcasting (both broadcast management and BBC Governors and ITC Members) have sometimes been able to insulate broadcasting from the abuse of power; although increasingly critics have argued that instead of articulating the public interest they have become overly interested in representing the interests of their respective institutions.

More recently efficiency arguments have been used to undermine the legitimacy of public service institutions. For example, although during the 1970s the Left became highly critical of public service broadcasting, the critique was one of failure to represent the interests of all classes in society and for a lack of public accountability. The Right, on the other hand, attacked public service institutions on the grounds of their inefficiency. This attack effectively broke with a consensus of opinion about the necessity of public utilities operating along public service lines; and more specifically it broke with the concept of social efficiency which since the nineteenth century had been

the standard argument for state intervention in public health, factory reform, slum clearance, poor law, medical treatment, state education, workmens' compensations and the like (Harold Perkin, 1989: 155).

This was an argument which had associated social efficiency with the notion of human waste, and which, although it began as a domestic concern to save money and talent, by the turn of the century had become a matter of 'international economic competitiveness and military survival' (Perkin, 1989: 155).

Thus, although by the 1920s efficiency was commonly understood in its widest sense of economy and service to the community, the problems related to the assertion that efficiency could be an 'alternative to control' were never satisfactorily addressed, either by politicians or 'experts' like Sir Henry

Bunbury. It was an ommission which allowed the Right to attack public service institutions with impunity, on the grounds of economic and technical inefficiencies; and during the 1980s exposed the theory of public service to the political wilderness.

Chapter Six

Public service broadcasting and accountability

Questions of accountability and access have 'always lain at the heart of the public service tradition' and a key principle of public service broadcasting has been 'its independence from other sources of political and economic power' (Nicholas Garnham, 1989: 26). The issue of accountability in broadcasting has also raised questions about the status and calibre of those experts and officials who interpret and regulate but who are not politically accountable. In broadcasting this has been a debate between the view that it is the job of elected representatives to interpret and regulate, against the conviction that a professional elite with specialist knowledge will lead to the best kind of service.

The debate about the role of the expert was not however, a twentieth century invention. At the end of the eighteenth century for instance, the political philosopher Edmund Burke, mourned the passing of the gentleman administrator and the coming of the 'sophisters, economists and calculators' (Roy McLeod, 1988: 1). While by the nineteenth century the expert had become a key figure in the changes accompanying the overhaul of the Victorian civil service and government machine, and experts were viewed with a combination of suspicion and missionary zeal. On the one hand they were feared for their tendency to promote a narrow, technical view of the world, and on the other they were viewed as a necessity for a modern, industrialised society.

Although the argument about the need for trained experts in the management of public affairs is mostly associated with Fabianism, it was a widely held conviction; and by the early twentieth century the debate was increasingly about the role of the civil servant or official in the modern, industrial and expanding state. Within the Civil Service it was a debate which pitched the idea of the technical knowledge of the specialist or

expert against the generalist, commonsense knowledge of the civil servant, but it was not always clear how the two differed in practical terms. More importantly however, the debate was indicative of the extent to which the state and public service institutions relied on this class of individuals to broker the relationship between governors and governed.

6.1 Experts and accountability

In broadcasting it was the Sykes committee (1923) which first mooted the idea that broadcasting ought to be run by a panel of 'experts', although at this early stage in the history of wireless it was not clear who might constitute an expert, other than the people who were already responsible for it (the wireless manufacturers, engineers and Post Office personnel). The BBC's board of governors was envisaged as a group of 'trustees of the national interest' in broadcasting, to provide the link between broadcasters and the interests of the public. This goal was almost immediately subverted by Reith and although the Beveridge Committee attempted to recreate the governors 'as an independent institution with their own secretariat and research arm. In the end this solution was rejected in favour of accountability via a form of market competition by the creation of ITV' (Nicholas Garnham, 1989: 27).

In the 1930s experts were defined as 'men of experience'; this could be experience of business, education or even the trades unions, but generally not politicians (W.A. Robson, 1937: 370). In practice however, rule by experts involved the representation of various interests on the boards of public corporations.

On the other hand, although the suggestion (made by the Sykes committee) that broadcasting ought to be run by experts did not gain much overt support; to some extent broadcasting exemplified rule by 'men of experience'. For instance, broadcasting regulation has been shaped by the successive

interventions of broadcasting committees of inquiry filled with 'experts' of one kind or another, although MPs have also always been well represented.

During World War One the idea of 'knowledge brought to the service of power' effectively created a permanent place for the specialist and expert classes of the civil service. This image was of a narrower, more technical professional, who answered to 'generalist, professional civil servants'; and it was an image both taken for granted and mistrusted by public, politicians and scholars (Roy McLeod, 1988:1-2).

By the 1920s the image of the expert, both 'canonised and criticised' was well established. Balfour summarised the position:

I often think it a beneficent arrangement of our mundane affairs, that absolute government went out just when the experts came in. It would be an awful thing to have an absolute Governor who was an expert (Roy McLeod, 1988:1: citing W.M.Short (ed) Arthur J. Balfour as Philosopher and Thinker, London, 1912: 539)

The question of the role of the expert in the civil service and the public corporation raises some important questions about the nature of accountability within modern governments dominated by an instrumental rationality. This has been a matter of concern for most of the twentieth century. The fear is that the public interest, the interest of individuals, will be compromised by the unaccountable 'national interest' of the expert; and that administrative growth and expertise are not a progressive force but a potentially dangerous one (Roy McLeod, 1988: 8).

This perspective finds its clearest expression in Harold Perkin's The Rise of the Professional Society: England since 1880 (1989) where Perkin suggests that democracy has more to fear from the power and influence of the professions and experts than it does from the state. For example, in his view, the influence of experts and expert-administrators has threatened to sever the

democratic link between Parliament and people; a particular problem for public service organisations like the public corporations.

It was within the Parliamentary machinery that the influence of the expert or professional was most felt. On technical or scientific matters MPs were at the mercy of the advice they were given and increasingly Parliament became less able to frame law which could meet every contingency; thus legislation increasingly contained clauses which implicitly empowered specialists to determine what was best for any given case (Roy McLeod, 1988: 13). As the state expanded its sphere of influence it was inevitable that the delegated legislation would be needed and that to keep itself informed, Parliament would require special advisers and even some extension of the Committee system. Indeed, this has been a continuing problem for representative democracies - how knowledge is to be made available to legislators so that they can frame the best kind of law.¹

By the early 1930s the debate about experts and officials and their relationship to the public was dubbed by Herman Finer as 'the problem of the twentieth century' ('Officials and the Public', Public Administration, Volume IX, No.1, January 1931: 23). In Finer's opinion this was because of the growing contact between state and individual in modern industrial societies; the increasingly ineffective nature of Parliament as a representative body as opposed to an instrument for 'guiding' the executive, and because of the changing nature of state activity (Ibid: 24).

Finer was concerned for instance, that civil servants should have a 'dynamic ethic' based on 'a deliberately inculcated scheme of beliefs about the debt owed by individual men and women to the society where service is their purpose, and these beliefs

¹ To some extent this is the point of the 1995 Nolan Committee on Standards in Public Life - to redefine the proper limits of knowledge and influence on MPs in an increasingly complex society.

must be held with a religious intensity' ('The Civil Service and the Modern State', Public Administration, Volume VII, No.4, 1929: 331). He foresaw a time for instance, when 'we shall all be civil servants' living in a 'civil servant state' and thus if society 'comes to rely on the civil servant in this way, a complex network of rights and duties will need to be constructed' (Ibid: 332).

E.J.Foley, stressed the issue of how the public interest was to be articulated as relations between the civil service and industry and the industrial sphere of the state widened. In his view, this was a process which had been gaining ground since the 1840s and had resulted in the substitution of the idea of 'the state as authoritarian' with the 'idea of the state as a public service'. This had occurred because the industrial revolution had drawn people into larger and larger aggregates which gave rise to greater demands for education and health services ('Officials and the Public', Public Administration Volume IX, No.1, 1931: 15-18).

Foley argued that legislation had gone the same way with laws no longer maintaining rights or forbidding wrongs, but focused increasingly on creating new organisations for public services and on the regulation of the relations of those citizens with those organisations; now 'authority' or democracy is coming to mean only the influence of expert knowledge or of common agreement'. Foley located this process of change in the role of the official since the 1833 Factory Act which had created a system of Factory inspectors (from aloof participant to increasingly dictatorial). It was this, in his opinion, which paved the way for the creation of the 'expert':

[it] brought into the relations between government and industry the independent, impartial person, tending on the one side to advise the government what it could reasonably require from the industry, and on the other to interpret to industry what was couched in the ambiguous language of legislation, the necessity of securing certain public interests' (Ibid: 18).

To these writers the modern official was the 'outstanding creation of Victorian capitalist democracy' without whom 'political democracy as we know it would be impossible' (W.A. Robson, 1937: 12). However, they also acknowledged the dangers of a civil service based on and reflecting the 'social structure and economic inequalities in our society' (W.A. Robson, 1937:16). It was argued for instance, that a massive contradiction had been created whereby people of working class origin had opportunities to serve in politics but not in officialdom; where the administrative class was dominated by Oxbridge graduates, and the chief officers of local authorities were required to be doctors, lawyers and engineers. In particular, there was concern that London University social science graduates, especially from the London School of Economics) were missing out career opportunities (W.A. Robson, 1937: 17).

The role of officials was thought to be vital since Britain appeared to be drifting towards 'government by commission'. The success or failure of this project, it was thought, would depend on whether the 'same degree of devotion to duty, public spirit, integrity and competence...without the spur of ministerial control' could be evoked (W.A. Robson, 1937: 27). The neutrality of the public service was seen as essential and demanded employees who were 'constructive' but not politicised. This was linked to arguments about the need for open and competitive recruitment procedures, for only these could guarantee the highest standards of service and fulfil the meritocratic aims of democracy in the second quarter of the twentieth century (W.A. Robson 1937:28).

Just as efficiency had been seen as an alternative to control, the expertise of officials was understood to have the same function: the establishment of professional standards would render the need for public accountability obsolete. However, in order to be politically acceptable, public service organisations

themselves would have to become more representative. Thus, during the 1930s an attempt was made to secure more equitable methods of recruitment and in the case of the BBC less formal and more realistic arrangements for public criticism (Herman Finer, 1937: 149-160).

6.2 The professional social ideal, 'governing institutions' and accountability

The historian Harold Perkin has identified this period as characterised, not by the philosophy of public administration or public service, but by the 'professional social ideal' and the emergence of a 'professional society' (1989). Professional society developed at the beginning of the twentieth century when the ideals and attitudes of a caste of professional experts, who were more than a new class, began to 'permeate society from top to bottom'. These ideals were based on the idea of 'trained expertise and selection by merit' and emphasised 'human capital rather than passive or active property' (Harold Perkin, 1989: 3-4).

Professional society was different from class society because the professional social ideal cut across old notions of class and hierarchy; and in principle, at least, the benefits were available to all (Harold Perkin, 1989: 8). Professional society was also responsible for the growth in the importance of the state since it was 'not a class society in the traditional sense...but a collection of parallel hierarchies of unequal height' so that the 'inequalities and rivalries of hierarchies came to predominate over those of class' (Harold Perkin, 1989: 9).

The key conflict of professional society was therefore, one of competition between rival interest groups, particularly between public sector professionals and private sector workers; as the public sector demands more public resources the private wants limits placed on these in order to keep taxation levels low. Meanwhile, these conflicts were increasingly mediated by the

state (Harold Perkin, 1989: 10).²

In the twentieth century however, the logic of professional society has been more than the 'culmination' of trends which characterised the industrial revolution (increased urbanisation, rising standards of living, growth in the scale of organisation and concentration of both businesses and trade unions); in fact the rise of the scale of organisation in modern society has been

not the cause but the effect and symptom of the rise of a much more complex, interdependent society [and] the connecting link between industrial and professional society is the familiar principle of the division of labour, which Adam Smith saw as the key to the wealth of nations in 1776 (Harold Perkin, 1989: 25).

Indeed, the emergence of professional society has both contributed to the struggle for income, status and power between classes, and been the means of resolving that conflict (Harold Perkin, 1989: 116). In this sense public service can be recognised as having a key ideological role to play in the easing of class conflict. The professional class has not been directly involved in the struggle for a share in the proceeds of material production, and therefore its role has consisted of being able to persuade the other classes that they needed it at all. It has been the success of this strategy (when it has succeeded) which has helped to raise the professional class above the economic battle and has given it a

stake in creating a society which plays down class conflict (in the long if not the short term) and plays up mutual service and responsibility and the efficient use of human resources (Harold Perkin, 1989: 117).

² Both groups have used the rhetoric of class struggle to disguise the extent to which professional elites have come to dominate society. In fact, both groups are dependent on the patronage of the state for their very existence. The 'free market' depends on the state to impose rules and regulations, without which it could not function freely ('to get government off our backs') and the public sector is financed by it. For that reason, it could be argued that public sector professionals who service the welfare state have the greatest stake in defending its continuing survival (Harold Perkin, 1989: 10-17)

Service in the professional society is therefore, a national and cultural ideal, not a class ideal, and in the nineteenth century was promoted through the public schools and universities (Harold Perkin, 1989: 120). The conviction was that 'professional service was in every way superior both to endowed idleness and to what was regarded as money-grabbing' (Harold Perkin, 1989: 119);³ and the existing ideals of the professional classes (the notion of the 'English gentleman' and the 'gospel of work') were transformed into variants of the professional social ideal.

For example, the notion of the gentleman underwent a process of metamorphosis; from the 'touchy aristocratic notion' to something more solid and bourgeois, and the notion of work from something anathema to a 'true gentleman' to something which had 'replaced the cult of leisure as the main justification of wealth, power and success in life'. In this way, both the notion of the gentleman and the notion of work were transformed from aristocratic to middle class concepts (Harold Perkin, 1989: 121).

However, in the twentieth century, professional and entrepreneurial aspects of the professional social ideal began to diverge, and the gentleman came to be

defined by his fine and governing qualities, his cultural education, intellectual interests and qualities of character, which rose above mere money making, while the work permissible to him was narrowed down to professional or public service to society, the state or empire, to the exclusion of 'money grubbing' industry and trade (Harold Perkin, 1989: 121).

While, the implications for public policy and social reform were profound:

principles of competition, individualism and laissez-faire, which for the capitalist class and the early classical economists had achieved the status of laws of nature as

³ A view supported by Martin Weiner (1988) who suggests that it was the dominance of anti-industrial, aristocratic attitudes in British public schools in the nineteenth century, which account for the disdain with which industry continues to be held.

inexorable as the law of gravity, came progressively to be questioned by professional social thinkers, civil servants and even economists, and their restrictions and reservations found their way into legislation, over the protests of the business class (Harold Perkin, 1989: 121)

The ideals underpinning professional society became widespread, and regardless of political party, 'consistently applied the tests of justification by service to society and, in one form or another, of the greatest happiness of the greatest number, to the analysis and criticism of contemporary society' (Harold Perkin, 1989: 123).

Thus by 1914 Britain was coming under the increasing influence of the professional expert with his belief in 'contingent property justified by service to society and in social efficiency for the benefit of the whole nation'; ideas which were permeating the consciousness of other classes and the policies and administration of government (Harold Perkin, 1989: 169). Politicians gradually committed 'government into the hands of experts' which ensured that the twentieth century was not the century of the plain man but the century of the 'professional expert who 'knows best' what is good for him' (Harold Perkin, 1989: 170). In short, even before the First World War put the cohesion of class society to the test, it had begun to go into crisis, and the solutions which were found to deal with this state of affairs were generally provided for by the professional experts.

The notion of the professional social ideal offers therefore, a critical analysis of the concept of public service; one which stresses the self-interest of professionals as opposed to the view (articulated in journals like Public Administration) that public service is inherently disinterested and that administrators are generally inclined to act in the public interest. The professional society analysis views the 'public service' activities of the professional classes as a method by which professionals have actively sought to develop a society suited to their own interests, and not the wider public interest;

in this process the notion of public service has been specifically used to justify the self-interest of professionals.

This critique of public service is largely shared by Keith Middlemass (1979) and Raymond Williams (1959). Middlemass for instance, argues that during World War One the

relationship between the political nation and the real nation altered profoundly. The implicit contract between them was sharply redefined in circumstances of extreme crisis...Over and above the venerable debates about the nature of compulsion in society, the political nation was faced with a distinct conflict between its conception of national interest and what it discovered public opinion desired; and to avoid political breakdown was consequently forced to find ways of maintaining its authority and the national interest which that implied, by fresh compromises (1979: 14).

For Middlemass the ideology of public service was precisely this kind of compromise and served to explain why the social lesions of the first three decades of the twentieth century (class warfare of 1911-14, troop mutinies of 1919, strikes of 1921 and 1926, political crisis of 1931, the depression and the Second World War) did not lead to revolutionary change as on the Continent. Contrary to the received view, government in the inter-war years was not 'slothful in planning or weak in the execution of policies'; instead, the period 1916-26 witnessed 'a new form of harmony in the political system', a consensus which was to last until the 1960s (Keith Middlemass, 1979: 18).

In this period British governments made the avoidance of crisis their first priority; they abolished Thomas Hobbes' 'natural anarchy of competing wills' not by invoking authority but by the 'alternative gratification and cancelling out of the desires of large, well-organised, collective groups to the detriment of individuals, minorities or deviants'. In this way only minorities were made resentful, and as Party and Parliament declined in governing importance, economic conflict diffused and Conservatism and Socialism joined in a common reformist policy (Keith Middlemass, 1979: 19).

As a result, a 'triangular pattern of cooperation between government and the two sides of industry emerged' and that far from being interest groups, these became 'governing institutions' (Keith Middlemass, 1979: 20). Equilibrium was maintained because these governing institutions came to share some of the political power of the state. This 'corporate bias' was not the full blooded corporatism of Fascism, or indeed what he describes as the 'naive corporatism' of the industrial theorists of the 1930s and 40s, which centred on the idea of a National Industrial Council and would have shackled industry formally to government, without resolving the tensions between them. Instead, by 1922 it had 'become clear that a sufficient number of union and employers' leaders had accepted the need for formal political collaboration with the state'; and as a result the municipalities, the churches, professional men and the voluntary bodies had become governing institutions with a share of state power (Keith Middlemass, 1979: 20-21).

In order to become governing institutions however, they had to accept some 'fundamental national aims' and abandon, in practical terms, the 'ideology of class conflict'; this led to a 'political contract' between all the players, a contract of secrecy (Keith Middlemass, 1979: 21). Thus, long before 1945, Parliament had 'ceased to be the supreme governing body and became instead the electoral source of the majority which provided the party element in government'. The so-called 'neutral' element in the state apparatus had also changed; this was the 'quintessentially late Victorian' theory of public service which

had reached its apogee in the last quarter of the nineteenth century. Constitutional historians took for granted that men in government service - the 'fit and proper persons' - were classless (in the sense of remaining impartial in all conflicts) and conscious of party, if at all, only in their private lives. Modified to meet twentieth century requirements this belief extended to cover experts and boards of state corporations and after 1945 of the nationalised industries.

In short

if Parliament and Parliamentary decisions were no longer the only or even the most direct source of power, the theory became a tautology: neutrality could be defined as congruence with the aims of the state, as perceived and defined by the same experts and public servants (Keith Middlemass, 1979: 23).

For Perkin and Middlemass therefore, public service is essentially a reactionary ideology, which has eroded Parliamentary accountability and papered over the cracks of inequality and class conflict in British society.

6.3 Public service broadcasting and accountability

In broadcasting accountability has generally referred to the role of the governors and their relationship to the management of the BBC and to the public; as well as to the Members of the ITC (or ITA/IBA), the regulator of commercial television (both ITV and Channel Four), and their relationship to the public. More recently, questions of accountability have also concerned two new regulatory bodies - the Broadcasting Standards Council and the Broadcasting Complaints Commission; while in film the new statutory status of the British Board of Film Classification raises similar issues.

The issue of accountability has been a contested aspect of public service broadcasting since the birth of the BBC. In particular the question has been how to achieve a satisfactory relationship between broadcasters and the public in the absence of precise methods for measuring 'consumer satisfaction'.

In 1923, for instance, the Sykes committee recommended that the public control of broadcasting could be best achieved by setting up a Broadcasting Board with an independent chairman and twelve members from public life.

Broadcasting may be expected to become of great national importance as a medium for the performance of valuable public services. It is essential therefore, that permission

to transmit and the matter to be transmitted should be subject to public authority (Sykes report, 1923: 23).

Board members were envisaged as trustees for the national interest; and it was thought that they would be directly involved in representing the public's interest in broadcasting. Sir Henry Bunbury, for example, argued that broadcasting was 'an obligation and not a right'. In other words, broadcasters had responsibilities to the public and those responsibilities were more important than any 'right' to broadcast (8 May 1923: Minutes of the Sykes Committee).

These proposals were not enacted and by 1926 attention was focused on the structural form that the broadcasting organisation ought to take. In Parliament there was less concern with the problem of accountability and more concern with the issue of the content of broadcasting; with questions of bias and controversy. Subsequently, the rights of listeners and the duty of the BBC to the public became rather obscured. This despite the fact that in this same period broadcasting had developed from a minority to a mass service (Crawford report, 1926: 348).⁴

The 1926 Crawford Committee had recommended that a public corporation replace the existing broadcasting company. This particular form was chosen on the grounds that such a body would enjoy more freedom and flexibility than a government department because of the 'variable demands of public taste and necessity' (Crawford report, 1926 :340).

Crawford had rejected however, the idea of a representative board of governors, as was the case with some other public corporations like the Port of London Authority. Instead it was thought to be sufficient that the governors should be persons of judgement and independence, free of commitments, and able to inspire confidence by having no other interests to promote other

⁴ In March 1922 7,690 licences had been issued. This had risen to 1,840, 268 licences by January 1926.

than those of the public service. It was suggested however, that the governors be assisted by advisory committees acting as 'advocates' with a duty to ensure programme development, scientific progress and research (Crawford report, 1926: 334).

In reality however, the board of governors, which under the terms of Crawford was supposed to promote no other interests other than those of the public service, soon fell under the Reith's influence, becoming less 'trustees of the national interest' [and more] 'creatures of the Director General' (Curran and Seaton, 1981: 301). In this period it was eventually decided that the minister responsible for broadcasting would only answer questions in the House on matters of principle (the detail of programmes was to be the BBC's business) and eventually the issue of excessive government interference ebbed away (Curran and Seaton, 1981: 300).

Seaton has suggested that 'one cause of the collapse of the principle of public service broadcasting has been the deterioration in the relationship between the state and broadcasting institutions' (Curran and Seaton, 1981: 299) and it would certainly seem to be the case that there was a greater political willingness in this period to view state 'control' as the most efficient method of securing the public interest in a particular industry or service.

Although the Sykes committee had attempted to focus on the need for accountability between the broadcaster and the public, by 1926 accountability was already being seen in terms of the relationship between the broadcaster and the state and the broadcaster and politics - perhaps reflecting the highly charged political atmosphere of the period; and the issue of the relationship between the BBC, governors and public has subsequently never been satisfactorily resolved.

The Ullswater report (1936) focused on the role of the governors of the BBC, and although it was agreed that the

principle that they should not be representative of specific interest groups remained, it was also suggested that they reflect the population more accurately. Clement Attlee was instrumental in this debate, arguing that governors should be drawn from all social classes as it is 'one of the functions of the Board to represent the general public' (Ullswater report, 1936: 665). The committee also recommended advisory committees be set up to represent the listening public - otherwise things were to continue in much the same way as before.

The Beveridge Committee (1951) addressed itself to a number of what it called 'fundamental questions' about broadcasting - including how to secure accountability. It concluded that the BBC's monopoly should continue - mostly on the grounds of economies of scale - but recommended greater decentralisation for the regions.

Beveridge was opposed to advertising or sponsorship because it would put the 'control of broadcasting ultimately in the hands of people whose interest is not broadcasting but the selling of some other goods or services or the propagation of particular ideas' (Beveridge report, 1951: 48-49). The licence fee was viewed as the most desirable method of payment because it distanced the Corporation from the government and gave it financial independence; furthermore, 'the number of licences taken out is itself a pointer to the success or failure of the Corporation to meet the wishes of the public which it serves' (Beveridge report, 1951: 49-50).

Beveridge examined the question of whether Parliamentary control should be 'more direct' and concluded that although there should be more information available to Parliament and the public about the corporation's finances, because 'adequate finance is the basis of autonomy', that broadcasting should also have an 'independence of criticism in Parliament greater than that possessed by the authorities concerned with nationalised industries such as coal, electricity or transport' since there

were dangers involved in too much Parliamentary control (Beveridge report, 1951: 51).

In the committee's view while competition would lead to the lowering of standards broadcasting 'should be regarded as a public service for a social purpose and not as the sale of a popular commodity'; it was also the case that overzealous Parliamentary control could lead to excessive timidity, a policy of safety first in programming, and the domination of particular political views. For these reasons Beveridge suggested that the role of the governors be extended and that there should be a Public Representation Service (Beveridge report, 1951: 52)

The committee rejected however any notion that the governors should become more like the board of a nationalised industry:

The fundamental difference between a broadcasting authority and the board of any nationalised industry is that the former should not have, as the latter must have, a specialised Minister able to give directions of policy and to answer policy questions in Parliament. The Governors in effect must themselves undertake the function of the Minister, that of bringing outside opinion to bear upon all the activities of the permanent staff, of causing change where change is necessary, of preventing broadcasting from falling in any way whatever into the hands of a bureaucracy which is not controlled (Beveridge report, 1951: 52).

This was to be achieved was by making the governors 'part-time' and by increasing remuneration and length of service.

Beveridge's fundamental attitude to accountability was contained in a passage explaining why it rejected the competitive market:

to make broadcast programmes directly and automatically dependent on the preferences expressed by listeners would be contrary to the pursuit of the highest social purpose of broadcasting, which in the last resort is one of education...the duty of the broadcasting authority is not to please the greatest possible number of listeners but to keep open the channel for communication of ideas of all kinds, popular and unpopular [we need] competition in service, not competition for listeners (Beveridge report, 1951: 52).

Selwyn Lloyd's influential minority report challenged Beveridge's cultural argument which had focused on the difficulties of achieving meaningful levels of accountability because of the tendency of the public to seek out less than worthy programming. Lloyd's view was that it was possible to make a slow transition to a system which permitted commercial broadcasting and that this could be strictly regulated. Lloyd argued against the implicit paternalism of Beveridge and attacked the BBC's monopoly for its size and unwieldiness; for the way it hindered developments, and for the fact that it there was only one employer who held excessive power. Lloyd did not however, focus on the problem of accountability as a justification for change (Beveridge report, 1951: 207).

The story of accountability received a new twist with the publication of the Pilkington report (1962). This was the first commission of inquiry since Beveridge's recommendations had been ignored and commercial television created. Pilkington accepted the public control of broadcasting on the grounds that it had led to the development of a service 'comprehensive in character' able to bring 'to public awareness the whole range of worthwhile, significant activity and experience'. Furthermore, in the committee's view, public service broadcasting had 'never been a means of communication to be shared out among those with a claim to communicate; that is to say, among organisations especially qualified to present particular classes of programme item - the press for example, or churches or universities. The subject matter of broadcasting is, in principle, all-embracing' and both the BBC and ITV were to 'treat all of it' (Pilkington report, 1962: 9).

The committee's view was that television broadcasting would 'be a main factor in influencing the values and moral standards of our society' and that therefore broadcasters must 'be in a constant and sensitive relationship with the moral condition of society...this gives them a responsibility they cannot evade' (Pilkington report, 1962: 15). It was the failure to do this

which the committee charged the new ITV.

Pilkington concentrated on the need for the two broadcasters to practice 'effective trusteeship'. The committee warned that they must be free from intervention by the government and also able and willing to resist any pressures which would, if yielded to, be inimical to 'good broadcasting'. It was the governors (appointed by Order in Council) and the members of the ITA, in whom this authority was invested, and taking up Beveridge's idea that the governors were like Ministers, the committee stressed that it was up to governors and ITA members to know and interpret public opinion, given that neither the licence fee nor advertising allowed for a direct relationship between producer and consumer. It was also the responsibility of the governors and members to have a clear idea of what constituted good broadcasting, to approve general policy and to make sure that policy prevailed. Furthermore, said the committee, it was in their power to appoint key people and in the control of financial resources that authority lay.

In other words it was their duty to

represent and secure the public interest in broadcasting. It is for them to judge what the public interest is, and it is for this that they are answerable. They must not do so by assessing the balance of opinion on this or that element of programme content, and then adopting the majority view as their own; for as we have already noted, this would be to mistake 'what the public wants' [for the public interest]...they must identify the public interest in broadcasting, defined as the fullest possible realisation of the purposes of broadcasting and secure it through control of the executive arm (Pilkington report, 1962: 122).

When the Annan committee convened in 1977 it recognised that there had been far-reaching social and cultural changes; people 'were more critical, more hostile and more political' (Annan report, 1977: 8); and in recognising these changes the committee found itself re-working the relationship between the broadcasters, the 'authorities' or regulators, the state and the public.

In Annan's view the end of spectrum scarcity and the crumbling of the mass audience, would lead in future to demands for a greater variety and number of programmes (Annan report, 1977: 19-23). However, the committee rejected the idea of access programming. The report stated that:

there was a right to speak in a free democracy, but it does not follow from this that there is a right to be listened to....broadcasting is not a mass conversation...[it] is in fact a form of publishing; not a dialogue or the equivalent of a Witenagemot (Annan report, 1977: 23).

The report did however, isolate four requisites for good broadcasting - flexibility, diversity, editorial independence and accountability. As far as flexibility was concerned, the committee argued that the introduction of ITV had done much to improve the responsiveness of the broadcasters to popular demand as well as greater choice of employment for media workers. On the question of diversity, the committee's view was that Britain was now multi-racial and pluralist and that the 'structure of broadcasting should reflect this variety' (Annan report, 1977: 30). Editorial independence, it was suggested, was necessary to ensure diversity; and Annan recommended that there should continue to be a clear differentiation between government and the broadcasters; with care taken that interest and pressure groups did not exercise excessive control (Annan report, 1977: 31).⁵

Annan thought however, that editorial independence conflicted with the need to secure accountability⁶; but it was accountability which was the issue of the day. For these reasons the committee examined the issue very closely. For instance, The

⁵ There was a great deal of pressure on Annan from a number of critics of the media. For instance, David Dimbleby and Stuart Hall argued that there had been a loss of nerve on the part of the broadcasters and a tendency toward constraint, constriction, toward conformity rather than innovation, towards managing topics, people and producers. While Anthony Smith argued that 'if I am free to anything I want to say except the one thing I want to say then I am not free'.

⁶ This view was given in evidence by the National Viewers and Listeners Association and the Labour Party amongst others.

Standing Conference on Broadcasting said:

we mean the right of citizens to check on the services provided for them and to see that changes are made if the services are unsatisfactory (Annan report, 1977: 33).

The Social Morality Council on the other hand, saw accountability as a three cornered concept which involved the Government, the general public and the broadcasters' own employees; while Caroline Heller, speaking at the Royal Television Society Convention in 1973 suggested a need for machinery whereby the public might judge 'broadcasting policy' and possess the means to change it if they didn't like it (Annan report, 1977: 33).

Mary Warnock, the report pointed out (who was a member of the IBA) drew a valuable distinction between the

accountability of an authority to Parliament and its responsibility to the public. An Authority cannot be accountable to the public because the public as such has not a position of power. What some people mean when they ask for greater accountability is greater openness, or readiness to listen to suggestions, or willingness to discuss day-to-day issues. But, according to Mrs Warnock, others who demand that an Authority should be made accountable are in fact disguising their hostility to the exercise of authority as such whether by a head teacher in a school or a doctor in a hospital. The notion that everybody can be accountable to everyone else is ludicrous; for if that were true everyone could exert sanctions against everyone else (Annan report, 1977: 33).

The report acknowledged that although this was an 'acute' analysis it also neglected the reality that very often the public felt 'fobbed off'. This was particularly so when the Minister in charge of broadcasting observed the convention of refusing to answer detailed questions in the House and referred the issue to the BBC or IBA; which meant of course, that there could be no public debate on the topic.

The 'authorities' not Parliament, said Annan, were directly responsible for their broadcasting services; firstly, producers were responsible to their particular authority for their

programmes and it was up to the authorities to either stop the programme from being transmitted or to defend the producer on public interest grounds. Secondly, although Parliament was not directly accountable for broadcasting it did receive annual reports from the authorities which could be scrutinised; and furthermore, the authorities were in effect appointed by, or on the advice of, the Government which was itself accountable to Parliament.

As far as Annan was concerned accountability existed in the final instance because if the government considered that the BBC Governors or the Members of the IBA were not fulfilling their duties: it 'can initiate a debate in the House of Commons and providing it can maintain a majority, can remove and replace them' (Annan report, 1977: 33).

The committee dismissed calls by the Labour Party and the Standing Conference on Broadcasting for an Executive Broadcasting Commission on the grounds that it would be too unwieldy, lead to greater political control and would mean a return to the monopoly control of broadcasting or a scenario whereby broadcasting policy became a 'football between a number of vested interests' (Annan report, 1977: 35). In Annan's view the most important aspect of the system was diversity and too much was made of the question of accountability (that the governors and members behaved too much like executive boards of management and not enough like impartial guardians of the public interest). In the committee's view there was no inherent contradiction in these roles:

The Authorities are the guardians of the public interest and as such bound at times to intervene, chide or even discipline the broadcasters in the public interest. Yet at the same time and equally in the public interest they must stand up for the broadcasters' independence and defend them if they consider that in controversy with Government or with pressure groups of one kind or another, the broadcasters are in the right. The public - that is to say - the audience - should appreciate and respect the creative potentialities and insights of the broadcasters, for the broadcasters are the fount of good programmes. The broadcasters should respect and respond to the needs and views of the public. If they do not, their independence will be challenged and

eventually undermined. [They must] inescapably resemble Janus. They must face both ways (Annan report, 1977: 35).

The ultimate responsibility for what is broadcast lay with the Authorities as the mediators between the professional broadcasters and the public - they were accountable to Parliament, and Parliament was ultimately responsible to the electorate. Annan believed that this essentially pragmatic approach had stood the test of time and would continue to do so; however, it was also careful to stress the need for broadcasting organisations to be more responsive to the opinions of the audience.

As well as demands for access programming and greater accountability, Annan was also under pressure to consider the issue of union representation on the boards of Governors and IBA. The committee argued however, that although there was a movement towards this in both the private and public sectors, 'union participation in management is different from union participation in an Authority which is meant to safeguard the public interest' (Annan report, 1977: 46).

In the committee's view industrial democracy was incompatible with public accountability

since the Government's power to appoint and dismiss the members of these Authorities is an essential link in the chain of accountability. To have half the members of the Authorities elected by and answerable to, people working in the industry would be to make the Authorities as accountable to the people working in the industry as they are to the elected representatives of over 50 million assembled in the House of Commons (Annan report, 1977: 49).

The broadcasting authorities were different from the nationalised industries, said Annan, because 'broadcasting is one of the main sources of news in this country and we have no doubt that many people would see worker participation in the Authorities as a major threat to broadcasters' editorial independence' (Annan report, 1977: 49).

The committee regretted that Parliament did not take up Pilkington's suggestion that there should be an annual debate on broadcasting but noted that there had been a major debate on the subject every year since 1969. The BBC told the committee that it took a great deal of notice of these and Annan did not think this was all 'blarney'. The Standing Conference felt that a permanent Parliamentary Standing Committee should be set up to allow continuous Parliamentary scrutiny but Annan concluded that this was not necessary, that 'the chain of accountability is adequate' (Annan report, 1977: 51). However, it did not think that the relations between broadcasters and the public was so satisfactory. Advisory Councils were criticised for being too remote from the bulk of the audience and audience research only partly fulfilled 'the duty to discover how the public react to their programmes'. The BBC's Programme Complaints Commission was criticised for its 'lack of public confidence', the IBA Review Board for appearing as judge and jury, and the BBC in general for being 'cavalier, aggressive and arrogant' (Annan report, 1977: 59).

Annan recommended therefore that the broadcasters themselves should not hear complaints from individuals or organisations who felt they had been mis-represented as well as complaints from the general public about taste, content or individual programmes. It was suggested therefore that there should be a single body along the lines of the BBC Commission for all complaints against the BBC or IBA.

A number of organisations suggested the establishment of some kind of Broadcasting Centre or Council that would be responsive to public opinion. Anthony Smith and Jay Blumler in their submission A Pluralist Approach proposed a national research centre to counteract the feeling that broadcasting was 'run like a restricted club'. This was to be open to the public as a whole and would be aimed at bringing about changes in the behaviour of broadcasting institutions. In another paper Smith commented that 'a producer's independence is not a personal

privilege. It is a responsibility exercised on behalf of the public' (Annan report, 1977: 61).

Annan argued therefore that in order to ensure both flexibility and diversity in broadcasting the duopoly would have to be broken, arguing that although both the ITV companies and the BBC produced some excellent programmes, on the whole they were pursuing similar objectives in similar ways and the effect had been to narrow the range of choice for the public. The committee said it was not retreating from the view laid down by Pilkington that 'the subject matter of broadcasting is in principle all embracing and each of the two public corporations is to treat all of it'; instead it was adding 'maybe, but with different emphases and from different standpoints' (Annan report, 1977: 73-4).

For this reason the committee recommended that the fourth channel be allocated not to the IBA but to an Open Broadcasting Authority which would be unlike the existing authorities 'who are required to take editorial responsibility for all their programmes in order to ensure a proper balance and wide range of subject matter in their programming and due impartiality in the treatment of controversial matters'. The OBA would operate rather differently 'more as a publisher of programme material provided by others and be sustained by a mixed source of finance' (Annan report, 1977: 73-4). The OBA would also have a board, appointed by Government and answerable to Parliament, and responsible for upholding the public interest.

With the publishing of the Peacock Report in 1986 the debate about accountability was subsumed by arguments about consumer sovereignty. Like Annan, Peacock based the changes taking place in broadcasting on technological developments like cable, satellite and use of the video recorder; and like Annan Peacock believed that broadcasting was becoming more like publishing. Peacock claimed to champion those viewers who had expressed a desire for more choice, who didn't want to be patronised or

treated as fodder for advertisers.

In Peacock's analysis of broadcasting finance the notion of the consumer or viewer took centre stage for the first time. In the committee's view the consumer was the best judge of his or her own interests and this should form the basis of future broadcasting policy.

Critics of the consumer sovereignty approach argued that consumers or viewers were rarely able to act in their own best interests, hence the need for regulatory intervention. Peacock however, believed that consumers were more capable than such an analysis suggested - though the committee did fear manipulation by advertisers. In essence the committee accepted that 'any decision on how broadcasting services should be financed must embody value judgements' (Peacock report, 1986: 28-30). Consumer sovereignty was not simply about allowing market forces to dominate; as far as Peacock was concerned it also embraced the idea that ordinary individuals understood that there may be wider benefits to the community at large from publicly funded broadcasting.

Accountability for Peacock did not mean boards of control as with Annan; instead, accountability was seen in terms of freedom of choice for the consumer and greater opportunities for programme makers. The committee was deeply committed to the idea of viewers developing a more direct relationship with programme makers as this was seen as the basis for improving consumer satisfaction. The committee believed satisfaction could be delivered by new technological developments such as pay-per-view which would allow viewers to register their preferences (and the intensity of them) directly (Peacock report, 1986: 26).

Thus accountability lay not in political relationships but in economic ones; and the case for regulation lay 'not only or even primarily upon spectrum scarcity but upon the lack of a mechanism for direct consumer purchase' (Nicholas Garnham, 1994:

13). Indeed, the Peacock committee had recognised that the economics of broadcasting were such as to make the existence of a 'full broadcasting market' highly problematic; hence the proposal for a Public Service Programme Board, 'set up along the lines of the Art Council, to finance public service programmes wherever they may be subsequently broadcast' (Nicholas Garnham, 1994: 18).

After Peacock the debate about public service broadcasting and accountability went into temporary abeyance; the focus of attention was on the reorganisation of the financing of the commercial television sector by 'franchise auction'. However, in 1993 the government published its Green Paper on broadcasting (the opening round in the debate about the renewal of the BBC's Charter); and in 1994 this was followed by its White Paper, The Future of the BBC (Department of National Heritage, [Cm 2621]). Accountability was back on the agenda once more; but the stress was on the political rather than economic nature of the relationships involved.

Organisations like the Consumers' Association responded to the Green Paper with enthusiasm. In particular, the Association focused on the fact that 'increasing importance is being attached to the concept of public broadcasting as a public service'; and it drew attention to the way in which the Government's Citizen Charter initiative, launched in a White Paper in July 1991, set 'a new framework of concepts of public service based around ideas of access, choice, redress and accountability, much of which can be held to apply to broadcasting in general and the BBC in particular' (1993: 1). These public service concepts were of course, not particularly new, but it is noteworthy that the Consumers' Association should so clearly make the connection between broadcasting as a public service and the delivery and quality of other public services like energy, public transport, telecommunications and the NHS (1993: 2).

In its review of key consumer concerns about the BBC, the

Association noted that the most difficult of these was the 'accountability of the BBC to bodies representing, or purporting to represent the general public interest and hence the interest of consumers' and that most of this issue revolved 'around the variety of surrogates which stand between the BBC and its consumers, including various advisory committees, independent bodies such as the Broadcasting Standards Council, and of course, the governors themselves'. These relationships, in the Association's opinion, were not working as smoothly as the BBC, in documents like Extending Choice (1992), implied (Consumers' Association, 1993: 10)

The Association argued that accountability 'is about measuring actions against pre-ordained standards, implicit or explicit' and that to do this it would be necessary to clarify the 'existence of an established framework, setting out who owes explanations to whom, and who the key actors are'; 'a set of key expectations within this framework', 'a common language or currency of justification so that discourse can take place'; 'openness of actions to scrutiny and inspection'; 'agreement on what constitutes acceptable performance'; 'agreed systems of measurement to establish whether performance is matching up to requirements'; and 'keeping the financial books in order, in a narrow but necessary sense of accounting for expenditure' (1993:10).

By these criteria, the Board of Governors were viewed as having 'an anomolous role - they are 'guardians of the public interest in the BBC's broadcasting activities' who have not been required to make it clear where their definition of public interest was coming from, and who do not in turn have any clear lines of accountability for their own performance' (1993:11). The Association suggested therefore, that if the Board of Governors 'are going to be trustees rather than managers, they will need a new and different remit' (1993:11). In the Association's view, the fact that they had become 'bound up with management decisions and staff appointments' over the last twenty years, could make

it difficult for them to have a credible role as regulators; especially when on occasion they could find themselves in the position of reviewing their own decisions' (1993:12). Equally, the Association was concerned that the Governors were drawn from such a narrow base. In their view this undermined public confidence in the governors' ability to act on behalf of consumers.

The Association concluded however, that if the BBC had clearly established performance standards and monitoring systems, which were open to public scrutiny, then the need for governors might be diminished. In the meantime, public confidence in a new board of Trustees would 'be greatly increased by an open process of selection and scrutiny in which nominees...could be questioned on their appropriateness by the Select Committee on the National Heritage'. Likewise, the Association argued for an urgent review of the whole of the BBC's advisory committee system, since it was not clear what they were required to do, nor how able they were to question accepted practice (1993:12).

For these reasons the Association saw 'considerable attractions in the idea of a single, fully independent Broadcasting Consumer Council incorporating the existing BSC and BCC and covering the whole spectrum of broadcasting, not just the BBC'. Independent of all the broadcasters, its principal functions would be to respond on behalf of a clearly defined consumer interest, to proposed policy changes, whether by government, regulators or broadcasters; to initiate proposals for change; to research or commission data and to handle complaints from individuals and groups, whether as consumers of programmes or the subject of programmes, and to publish the relevant findings (1993:12-13).

The Association rejected the proposal, raised in the Green Paper (1993, paragraph 7.15) for a more wide-reaching Public Service Broadcasting Council (PSBC), which would be in receipt of the proceeds of the licence fee and responsible for funding public service broadcasting on the BBC as well as other channels.

In the Association's view this arrangement would not be in the interests of consumers; whereas a Broadcasting Consumer Council would have a 'positive and creative role' which would allow it to 'interact with the plurality of regulatory authorities and oversee on behalf of consumers at large how good a job broadcasters and broadcast regulators are doing, and how they might better promote the interest of all viewers and listeners' (1993: 13).

The Consumers' Association were not alone in their condemnation of the BBC's Board of Governors. Richard Collins and James Purnell have argued that for the BBC to pass the 'Berlusconi test'⁷ the role and selection of the governors must be changed, and the BBC made more independent of government and more accountable to users. Collins and Purnell supported the proposal put forward by the Consumer Association for a Broadcasting Consumer Council (which was subsequently rejected by the White Paper); and considered the possibility of a 'one-stop shop to regulate all broadcasting' including the BBC (Richard Collins and James Purnell, 1995: 19-20). In the absence of such revolutionary change, Collins and Purnell have further suggested that two principles should guide the governors in the future: firstly, they should take cognisance that their 'role is to represent the public' and secondly, that the 'public should have formal and informal influence over the governors' performance of that representative role' (Ibid:20).

Most interestingly, Collins and Purnell locate the future role of the BBC's governors in terms of the Labour Party's arguments about stakeholding and its conviction that a

⁷ In June 1994 the then new Prime Minister of Italy, Silvio Berlusconi, claimed that the Italian public service broadcaster, RAI, was out of line in its criticism of his government. Despite sharp words from various quarters, Berlusconi removed RAI's governors and required RAI to carry government-funded advertisements for this economic reforms. The 'Berlusconi test' is this: would the BBC survive a British equivalent of the Italian ex-Prime Minister? (Richard Collins and James Purnell, 1995: 19).

representative role conflicts with a managerial role (Winning for Britain, Labour Party industrial policy paper: 1994). In the authors' view the governors 'will always be too close to be impartial - although they do play a regulatory role, representing the interests of the BBC's stakeholders'. To avoid this conflict they suggest the BBC be reorganised along the lines proposed in Winning for Britain, with a 'two tier board structure, in which a supervisory board of non-executive directors sets objectives and monitors performance of an executive board with managerial freedom' (Richard Collins and James Purnell, 1995: 21).

Furthermore 'the culture of impartiality in public service' which 'was thought to guarantee that government appointees would exercise power impartially' can no longer be assumed; hence the need for informal as well as formal methods of public influence to guarantee accountability; the former would include opening up the governors to public scrutiny over Performance Indicators set by Government, and making governors publicly justify their decisions; the latter would include, devolving the power to appoint governors to electoral colleges and replacing advisory committees with citizens' juries (Richard Collins and James Purnell, 1995: 22).⁸

At the time of writing the Broadcasting Bill is making its way through Parliament, and save for the merging of the BSC with the BCC (but without the teeth envisaged by the Broadcasting Consumers Council) the role of the governors remains largely untouched by the debate which has raged for the last three years. Others have noted that the BBC 'is yet to address the problem that authority depends on accountability' and that although audiences provide one kind of accountability, the

⁸ Electoral colleges would devolve power to the public and separate it into different constituencies in order to reduce the risk of domination by any one group. Citizens' juries would be chosen at random from the electoral register and would meet together to discuss specific issues and draw conclusions (Richard Collins and James Purnell, 1995: 23-24).

BBC is desperately in need of some clearer supporting structure of political legitimacy. It needs impartial governors who can be seen to represent the public interest, but who will not try to manage the Corporation. It needs ways of talking about its programmes that emphasise the proper measure of public service broadcasting - real choice of programmes, not the same old formulaic ones. It needs audience reach and appreciation, not just size. To do this it needs more money and more secure funding. It needs ways of thinking about its audience more generously. But above all it needs political structures that make it visibly accountable (Jean Seaton, 1994: 37-38).

Concluding remarks

Accountability has been an enduring problem for public services in general, as well as for public service broadcasters, because of their relationship to Parliamentary democracy. In Britain departments of state are accountable for their actions to Parliament via ministers (and the principle of ministerial responsibility), and ultimately of course, to the public. Public service institutions such as public corporations however, have developed an 'arm's length' relationship to Parliament, and this has been both a strength and a weakness; a strength because it has given them a high level of autonomy and freedom from government interference; a weakness because it has led to rule by unaccountable elites with agendas which in practice are not subject to public approval or disapproval.

In broadcasting a central theme has been the 'thorny question of the independence of the broadcasters' (Heller, 1977: 59) as well as the extent to which broadcasting has increasingly laid 'claim to an extra-political power base and, implicitly, to a legitimation forged in the market place and independent of Parliament' (Heller, 1977: 68). In other words, broadcasters have, under the guise of opposition to government interference, suggested that they be 'responsible to the public without being responsible to its rulers' (Heller, 1977: 68 citing IBA evidence to the Annan Committee, para 206).

This development can be seen as part of a much longer term

debate about the growing influence of 'experts' or specialists, particularly in the case of the growth in semi-autonomous organisations. In these kinds of organisations for example, in the absence of a meaningful process of Parliamentary accountability, 'experts' have increasingly assumed the task of articulating the public interest; a development which has clear implications for democracy and democratic institutions.

The problem of accountability however, has not disappeared in the wake of attempts by government to curtail the scope of the state's activities. For instance, in 1979 the Conservative Party under the premiership of Mrs Thatcher was elected with the commitment to 'roll back the frontiers of the state', to cut public spending and inject market disciplines into public services. Public utilities were criticised for their lack of efficiency and innovation, and then privatised. There was also a strongly voiced commitment to reducing the number of quasi-autonomous non-governmental organisations or quangos: 'there will always be pressure for new bodies' Mrs Thatcher said, 'we shall be robust in resisting them' (The Guardian, 19 November 1993).

In fact, successive Conservative administrations, like their political predecessors, have found that in complex industrial democracies it is extremely difficult to avoid the quango or public body with its boards of unaccountable experts. The BSC and BCC for example, were created by Mrs Thatcher in the mid 1980s; while in the 1990s there has been growing public disquiet about the existence of these bodies. Public service institutions like the BBC are more complex institutions than quangos, however, they too have failed to satisfactorily address the problems of accountability. If public service broadcasting is to have a future it is an area that will have to be addressed sooner or later.

Conclusion

The emergence of public service broadcasting was, as we have seen, not an historical accident. Public service broadcasting grew out of, and alongside, a pre-existing philosophy or ethos of public service; later this became linked to the evolution of public service institutions such as public corporations.

By the early 1920s the ethos of public service had emerged as both a set of principles, and as a practical code by which departments of state and public utility enterprises were routinely administered. These principles included the need for efficiency (in its widest and non-economic sense), universal access, and a commitment to the ideal of a meritocratic society. Furthermore, it was argued, public services ought to express the community will, be a 'civilising force' and express national ideals.

In this period the principles of public service broadcasting were similarly composed. Reith, for instance, had justified the BBC's monopoly on the grounds that it was efficient (in the widest sense) and broadcasting had been linked to the idea of universal service from its very inception. Broadcasting was under the control of the Post Office, which historically had used its provision of a universal service, to legitimate its public monopoly of postal services. Universal service was extended to the new technologies of telegraph, telephone and broadcasting; but in broadcasting, the idea of universal delivery was uniquely linked to the regulation of content in pursuit of political and cultural goals. In the 1990s however, it is not clear to what extent universal service can be defended as the number of

television channels expands.¹

Reithian public service broadcasting also had a clear cultural and moral mission. In Broadcast Over Britain (1924) Reith stated that the unquestioned duty of the educated and cultured elite was to enlighten the public as a whole and that this involved not 'giving the public what it wanted' because 'few know what they want, and very few what they need' (1924: 34). Jean Seaton has observed however, that 'the rest of the passage is quite as important and far less often quoted'. Reith concludes, she notes, that 'in any case...it is better to over-estimate the mentality of the public than to under-estimate it' (Jean Seaton, 1994: 38 citing J.C.W.Reith, 1924: 34).

In 1930 Reith returned to this theme and argued that to 'give the public what it wants' almost always involves 'an under-estimate of the public's intelligence and a continual lowering of standards...it is not autocracy but wisdom that suggests such a policy...of giving people what you believe they should like and will come to like'; and he could not understand how this statement of BBC policy differed from other branches of public service activity (J.C.W.Reith, 'The Business Management of Public Services', Public Administration, Volume VIII, No.1., January 1930: 24).

Public service broadcasting was not therefore, simply the result of the establishment of a public service institution (in this case, the public corporation). Broadcasting was understood to be a public service before the BBC became a public corporation

¹ On December 15 1995 the government published its Broadcasting Bill. The Bill, when it becomes law, will relax cross-media ownership rules and introduce digital broadcasting to Britain. Exploitation of digital broadcasting will create a massive growth in the number of television channels available for broadcasting purposes - up to 54 new channels by some estimates (Evening Standard, 15 December 1995). This will have implications as far as the principle of universal access to broadcasting is concerned (a principle already breached by Channel Five). If the BBC, for instance, is allocated a number of digital channels it is not clear on what basis they will be paid for by the consumer.

in 1926 and Reith was quite clear on this point; public service was an ethos first and an institution second (1924).

By the early 1920s the essence of the public service approach was that

power corrupts and that the antidote is service, that the justification of price is service and efficiency, that breach of trust is never forgotten by the public, and that a meritocracy is the only sure road to public confidence and the firm's survival (Marshall.E.Dimock, 1978: xvii).

Meanwhile Sir Henry Bunbury's 'four desiderata for a good public utility authority' - freedom from political interference in management as opposed to general policy, disinterestedness, expertness and an 'area of operation which is economically the right area' - were, according to Reith, 'fully comprehended' by the BBC's constitution, with the addition of equitable and adequate financial arrangements and monopoly (J.C.W.Reith, 'Business Management of the Public Services, Public Administration, Volume VIII, No.1. January 1930: 25).

However, there was a fundamental weakness at the heart of public service philosophy and public service institutions like the BBC. In the case of public service broadcasting accountability was largely sacrificed to the idea that broadcasters 'knew best', while public corporations in general failed to develop the appropriate machinery to allow for greater sensitivity to public opinion. For public corporations in particular, the question was whether the principle of parliamentary and Ministerial accountability ought to be breached, and whether it was advisable, or indeed, possible for boards and corporations to operate in the 'public interest'. While for the BBC, the problem of accountability has been a major source of conflict since the 1970s;² and it is a debate which

² In this period the Left attacked public service institutions like the BBC for their bureaucracy, their vulnerability to government interference, and their elitist programming, which it was argued, was insensitive to changes in public taste and the nature of contemporary society.

continues to animate broadcasters, politicians and academics in the 1990s.

In the 1950s the BBC's public service monopoly was ended and commercial television was introduced; however, the cultural and social benefits of the public service idea continued (despite fears to the contrary) to underpin British broadcasting in the public and regulated private sector. This ability to adapt has proved a major strength of public service broadcasting; and although it is true that in the post-monopoly period public service ideas in broadcasting were not always explicit, in general there was a sense that broadcasting was a public good, that broadcasting ought to be universally available in terms of geography, and have universal appeal, in terms of content; and that broadcast content ought to possess a certain quality or distinctiveness (Broadcasting Research Unit, 1986). Thus the arrival of commercial television (ITV) in the 1950s and Channel Four in the early 1980s (with its public service remit to cater for minorities) eventually came to be viewed as extensions to public service broadcasting, rather than a threat to it.³

However, public service broadcasting was not without its critics, and by the 1970s it was increasingly under attack.

³ By the 1950s the BBC was credited by some for revolutionising the relationship between the state and the arts in Britain. It was argued for example, that the provision of cultural services was an 'essential feature of the welfare state, no less important than education or housing' and that it was the role of the state to provide both a living for the artist and to cultivate 'the standard of taste of the people...providing them with intellectual and aesthetic sustenance' (Political Quarterly, Volume XXIV, No.4, October-December 1953, Notes and Comments: 334). While opposition to the introduction of commercial television was widespread, individuals and groups as diverse as W.A. Robson (1937), Lord Simon of Wythenshawe, the Fabian Society Research Group, Brendan Bracken as Minister of Information\ during the war, Lord Beveridge (1953) and Herbert Morrison (1953), were also arguing that the BBC be broken up. A favoured option was for the Corporation to be divided into a number of regional and autonomous authorities which would preserve 'the principle of public service intact'. The public service principle, was therefore viewed as compatible with the existence of 'several broadcasting organs' (Ibid:336).

Firstly, the Left attacked the BBC for its elitism and domination by Oxbridge graduates, its indifference to changes in public taste, its denial of access for new production talent and lack of accountability; then in 1979 Mrs Thatcher's neo-liberal Conservative administration came to power, with a commitment to ending the postwar welfare consensus. Almost immediately the government embarked upon a policy of privatisation, which was largely legitimated by its analysis that public service and public service institutions had failed. In the Government's analysis, public ownership was inefficient, bureaucratic and incompatible with the operation of a free market; and the BBC in particular exemplified this regrettable tradition.

In the 1980s 'the twin engines of Thatcherism and Murdoch' combined to sustain 'a ferocious attack on public service broadcasting' (Ian Hargreaves, The Guardian, November 22 1993). This attack was accompanied by profound technological changes in the sphere of communications. Spectrum scarcity was found to no longer exist and efficiency had ceased to be defined in social terms; it was now a purely economic concept. Increasingly these developments were used to argue that a system of public service broadcasting was both out-moded and incapable of adapting to the requirements of the late twentieth century.

These neo-liberal critiques of public service and public service broadcasting served to confuse rather than illuminate the public service concept. Firstly, the Conservative suggestion that public service institutions (the gas, electricity and water utilities, the BBC, and the Post Office's control of telephony) were inspired by socialist ideology displayed a poor grasp of historical fact. The public service debates of the inter-war years were neither entirely socialist in origin nor completely dominated by socialists; in fact, the debates, which coalesced around arguments to do with the public ownership of utilities were characterised largely by their cross-party appeal (C.D.Foster, 1993: 70).

For example, the theory of public service drew on both socialist and liberal thinking but was essentially a response to monopoly capitalism and the increasing demands of industrialisation and rationalisation. Thus, the first wave of public ownership in the 1920s was set in motion by a Conservative Government;⁴ while liberal individualist arguments about service and character were overlaid by Fabian arguments about 'public ownership, public accountability and business management for public ends' (Stuart Hood, 1986: 56 citing Hugh Dalton, 1935: 141).

Secondly, the idea that public service broadcasting was incapable of adapting to changed technological circumstances, is simply not supported by the facts. Indeed, one of the most interesting aspects about public service broadcasting has been its ability to adapt. For example, in 1922 the BBC was considered to be a public service even though it was operating as a private company; the organisation was organised along broadly public service lines; the licence fee was in place (making the link between listeners and producers), dividends were limited to 7.5 per cent, advertising was rejected as the method of funding and Reith had already begun to establish his own distinctive (albeit paternalistic) interpretation of broadcasting as a cultural and moral activity.

Since the early 1920s therefore, the public service idea in broadcasting has evolved through a number of different stages. It has been associated with public monopolistic control (the

⁴ An acceptance of the need for some public ownership was simply a hegemonic value of the age. Even Dicey, the Conservative scholar and constitutional historian, who is sometimes credited with being the architect of the 'myth' of nineteenth century laissez-faire, took the view that the development of corporate trade had 'transformed the abstract principle that all property...belongs in a sense to the nation, into a practical maxim on which Parliament acts every year with the approval of the country. It constantly suggests the conclusion that every large business may become a monopoly and that trades which are monopolies may wisely be bought under the management of the state' (A.V.Dicey, 1905: 248 cited by C.D.Foster, 1992: 70).

public corporation), a public-commercial duopoly (BBC.v.ITV) and since the arrival of Channel Four in 1982, and satellite and cable in the mid 1980s, it has been part of a 'multi-channel' system. The introduction of commercial television in the 1950s, and the arrival of Channel Four thirty years later, did not end broadcasting's relationship with the public service idea; in fact the opposite occurred, and the cultural and social benefits of public service (quality, standards, education, universal provision) were extended (in varying degrees) to the regulated commercial sectors of broadcasting.

A third confusion has been of longer standing. For example, the nineteenth century was not characterised by a commitment to unadulterated laissez-faire; and indeed, state intervention and laissez-faire were less diametrically opposed opposites than 'constant accompaniments of the basic force - industrialisation' (J.Bartlett Brebner, 1962: 200). Contributors to Public Administration for example, have concurred that the grounds for state intervention in public utilities were related to these continuing patterns of industrialisation and rationalisation; while the need to exert public control over broadcasting was recognised by the Sykes report in 1923.

Keith Middlemass (1979) draws upon this analysis of the link between industrialisation and public service. It is his contention that public service is both a powerful ideology and a set of institutional arrangements by which British society was acclimatised to the massive social and economic change required by industrialisation. In effect a new contract was wrought, under pressure from an expanding franchise, between the people and the state; the old forms of economic and social life were gone and the state was to be increasingly responsible for the new services which replaced them. The idea of 'service' was the glue which held this network of contractual obligations together; and broadcasting, as one of the culture industries, was part of the process by which Britain's 'new' identity was forged.

These processes were underpinned by an unassailable belief in the future and in progress; and were legitimised by the idea of service. The idea of service can be understood in a number of ways; firstly, it described the relationship of civil servants to the state and their obligation to serve the community; secondly, it could be understood as an ethic by which the 'ruling classes' were able to justify their dominance; and thirdly, as part of the contract between the mass of people and their rulers. For example, public service institutions offered (providing the masses continued to accept the capitalist framework) universal and efficient services at fair prices. Middlemass (1979), Williams (1958) and Perkin (1989) have taken the view however, that public service broadcasting, rather than being a genuine attempt to create a broadcasting suitable for democracy, have simply disguised the real relations of domination in society.

In fact there were a number of rationales behind the idea of the BBC as a public service. The existence of a natural monopoly, political pragmatism, non-economic definitions of efficiency, public opinion and a belief in the 'public good' all played a part in legitimising the state's continuing involvement in broadcasting. Most importantly however, the regulation of broadcasting was never justified on the grounds of scarcity alone. In fact, regulation was first understood in terms of national security (the military always had priority over the allocation of frequencies), and in the second, that unlicensed and unregulated broadcasting would lead to interference and 'chaos of the ether' as in the United States of America. Thirdly, from as early as 1923, it was considered that 'if the ether was occupied we hoped that it would be worthily occupied' (Sykes Committee Minutes., 2/5/23).⁵ In other words the regulators were also aware of the need to consider questions

⁵ Brown of the Post Office under questioning from Charles Trevelyan MP.

of content and the social purpose of broadcasting.⁶

In short, although Peacock's definition of public service broadcasting as 'simply any major modification of purely commercial provision resulting from public policy' (1986: 130) has the virtue of simplicity, it nevertheless fails to take into account the specific nature of the 'major modification' of broadcasting which is public service broadcasting. Public service broadcasting was, and to some extent remains, much more than 'any major modification of purely commercial provision'. Public service broadcasting is a coherent and systematic theory about the role broadcasting ought to play in a democratic society.

From its inception public service broadcasting was understood as both an institution and an ideal or ethic; it was a resource which went beyond party, was something valuable and in the public or national interest; it was a way of doing things which market forces alone could not hope to emulate. Indeed, although the rhetoric since 1986 has been one of introducing greater market forces and lighter touch regulation in the commercial sector, the reality has been continued government intervention in the communications field, both to impose content related rules and to ensure competitive practices. For example, the 1996 Broadcasting Bill focuses heavily on the question of relaxing the rules on cross-media ownership (which will have the effect of increasing concentration of ownership in ITV), and organisations like the Broadcasting Standards Council and Broadcasting Complaints Commission (which oversee 'standards') are likely to have their remits consolidated prior to their merger into a single organisation.

⁶ During the inter-war period public ownership had been widely supported by the three main political parties and in the case of broadcasting, Conservatives, Labour and the Liberals shared the belief that broadcasting was too great a 'potential power over public opinion and the life of the nation' [to be left to commercial forces alone and that control] 'ought to remain with the State' (Sykes report, 1923: 18).

There have been therefore, two strands to the early history of the concept of public service in broadcasting. The first relates to public service as a set of ideas, an ethos, or philosophy of public service, and the second, to the emergence of a particular kind of institution - the public corporation. In essence the public corporation fused with existing ideas about public service; although in the early years of broadcasting the two were often seen as indistinguishable from each other.⁷

Public corporations themselves arose from the development of autonomous and semi-autonomous bodies in the late nineteenth and early twentieth centuries.⁸ This process accelerated in the twentieth in response to the demands of post-war reconstruction and changing political and economic conditions. The public service idea on the other hand, was essentially a nineteenth century ethos referring to practices within the civil service and Arnoldian ideas of culture and education, which had emerged from the reforming zeal of the Victorian era (Paddy Scannell, 1989a: 22-23).

However, both the public corporation and the concept of public service probably shared a common source in the influence of the colonial administrative practices of the Indian civil service. It was also the case that Britain was not alone in developing public corporations and public services; the state of

⁷ For instance in the foreword to the 1928 BBC Handbook the Earl of Clarendon, chairman of the board of governors, states that the BBC 'has assimilated the British Public Service tradition'; while Reith states that public service 'means primarily a standard and an outlook, and only secondarily a form of administration' (1928:32).

⁸ There was nothing new in 1926 - the year the BBC transferred to public ownership - about the creation of independent boards to administer services of public importance. The most obvious examples being the Poor Law Commission (1834); the public utility companies set up to administer gas, water and public transport from the 1840s onwards; and the range of 'mixed-enterprises' which included the Manchester Ship Canal (1891) and the Metropolitan Water Board (1902) amongst others (Caroline Heller, 1978: 4-5).

Victoria in Australia was also at the forefront of this kind of thinking, but in Australia public corporations were very much seen as socialist entities.

The ethic of service was also linked to a 'philosophy of' public administration which had begun to emerge by the 1920s; and public service broadcasting subsequently reflects the influence of that dominant perspective (Christopher Hood, 1994: 4).⁹ This philosophy drew on some of the great liberal debates of the previous century (the battle between collectivist or individualist conceptions of the state, the need to educate the masses for democratic life) and ultimately legitimated a growing acceptance for an enlarged role for the modern state. In short, the influence of public administration ideas were evidence of an attempt to make possible the administration of mass democracy; and public service broadcasting was part of that project.

Public service broadcasting was therefore, as much an administrative solution to the arrival of the mass medium of wireless as it was a political or cultural response; and it is this fact which in the 1990s exposes public service institutions like the BBC to the accusation that it has become a 'period piece' following 'the design principles of a vanished era' (Christopher Hood, 1994:4).

However, the argument that the BBC as a public service institution has become outdated is not, as we have seen, sufficient to describe the crisis in public service broadcasting. This crisis affects the whole balance of public broadcasting (including ITV and Channel Four) and is linked to the erosion of the tradition of public service in the public utilities at an institutional and ethical level.

⁹ Hood supports my argument that this approach was shared by Fabians, R.M.Thomas's civil servants and LSE dons, her philosophers of public administration, and the Australian administration (1994:5)

The tradition of public service broadcasting or 'progressive public administration' (Christopher Hood, 1994) embodied two principles. The first was that the public sector ought to be kept distinct from the private, and that public servants ought to form a 'Jesuitical corps' of service. This corps was distinct from private concerns in matters of recruitment, ethos, reward, promotion and organisational structure; since it was only by using these methods that the public sector could be kept free from corruption.

The second principle related to the restriction of the 'hands-on' power of those at the top; politicians and chief executives alike. Power was limited by procedural rules and the establishment of public corporations enabled these institutions to pursue the public interest in a condition of relative autonomy from politicians (Christopher Hood, 1994: 5).¹⁰

This intimate relationship between public service broadcasting and progressive public administration raises serious questions about the future of public service broadcasting. A commitment to the principles of a progressive public administration is now 'waning across OECD countries' and these organisations (where they do exist) are now increasingly subject to the doctrines of 'New Public Management' (Christopher Hood, 1994:10).¹¹ However, as we have seen, public service

¹⁰ In the case of broadcasting there has been considerable disagreement as to how successful this policy has been. For example, the BBC's record suggests that 'a public trust broadcasting corporation is not the only, or even the best, way to provide checks on those in high public office that the concerns of a progressive public administration would require. Indeed, it could be argued that there are distinct dangers in relying on any one institution to provide such checks' (Christopher Hood, 1994: 12).

¹¹ In place of insulating the public from the private sector, the 'New Public Management' method aims for 'entrepreneurial bureaucrats' using the method and style of the private sector. Equally, in place of rules to check the power of those in high public office, the New Public Management method aims to strengthen the hands-on capacity of managers to direct their organisations without being hamstrung by restrictive

broadcasting is as much an ethos relating to the role of all broadcasting in democratic society, as it is a single institution like the BBC. Furthermore, public service broadcasting is not specifically excluded from more commercial or market orientated methods of operation.¹²

In the 1990s the focus has however, remained with the future of the BBC. In 1996 the Corporation's Charter is due for renewal and this has rekindled the debate about the appropriateness of its current structure and scale of activity. Several critics, echoing the period prior to the introduction of commercial television, have argued in favour of a more stream-lined BBC (Christopher Hood, 1994; Richard Collins and James Purnell, 1995). Hood has recommended a 'smaller organisation with a sharper scrutiny mandate' on the grounds that such an organisation might be more effective than the present model (1994: 12) and Collins and Purnell propose that the 'BBC must remain but it must become a number of different BBCs' in order for it to be more accountable and independent from government (1995:2).

These authors accept that the arrival of new technologies 'will continue to change the media in the UK' but also argue 'they will not make the broadcasting market work well enough to

legislation; and more 'explication of standards of success and performance, replacing an earlier emphasis on qualitative and implicit standards and goals'. New Public Management favours 'unbundling' large public sector organisations, favours contract based competitive provision with internal markets and term contracts; private management styles as opposed to public service ethics and methods.

In the 1990s these doctrines of 'New Public Management' (unbundling, producer-purchaser splits, the director-general's tax-efficient commercial pay arrangement) were adopted by the BBC and the debate (where there has been one) has been about the 'respective merits of progressivism and managerialism' (Christopher Hood, 1994: 10-11).

¹² ITV and Channel Four are commercial broadcasters which have, at least until recently, been regulated along public service lines.

eliminate regulation'; in short, in order for the BBC to survive the increasingly competitive market, it ought to be allowed to develop and exploit some of its commercial opportunities (Richard Collins and James Purnell, 1995: 1-2).

The future of public service broadcasting is not therefore, necessarily undermined by the communications revolution. Public service broadcasting evolved as an argument to do with the role of broadcasting in a democratic society, rather than because of technological difficulties to do with spectrum scarcity or interference; for that reason the end of spectrum scarcity will not bring the public interest in broadcasting to an end.

In addition, public service broadcasting has always been able to adapt to changed political and technological circumstances; so once again, political and technological developments do not necessarily imply the end of public service broadcasting. However, it is the case that the privatisation of the public utilities, and the erosion of public service values has led to a political vacuum. The Labour Party no longer automatically defends public ownership and the failure to consider broadcasting in terms of wider arguments about the role of broadcasting in society, has made it increasingly difficult to defend the current system of public service broadcasting against its critics.

More recently however, some have argued that these questions, of how to ensure the delivery of efficient and accountable services in the public interest, have been answered by the theory of stakeholding and the stakeholder society. To its proponents stakeholding is a 'genuine departure' from the past and attempts to 'offer a set of guiding principles that could organise a reformist political programme in five chief areas: the workplace, the welfare state, the firm and the City, the constitution and economic policy more generally'. This, it is argued, is not 'socialism in the twentieth century' nor an attempt to 'build a socialist Jerusalem by planning and public

ownership'; nor is it the 'orthodox advocacy of free market capitalism championed by the Conservative Right'. Instead, stakeholding is an

explicit statement of the values and principles that have underpinned the century-long attempt to build a just society and moral community that is congruent with private property, the pursuit of the profit motive and decentralised decision-making in markets - the famous third or middle way (Will Hutton, The Guardian, 'Raising the Stakes', Wednesday January 17 1996:2).

There is of course a profound irony to this description of stakeholding because it could just as well describe the theory of public service formulated in the 1920s. Indeed, William Keegan, economics editor of the Observer has suggested, 'in its more radical strain, you can trace the idea back to Harold Laski' (Ben Webb, New Statesman and New Society, 'Stakeholding. The Big Idea?' 29 March 1996) Stakeholding is further described as follows:

The unifying idea is inclusion; the individual is a member, a citizen and a potential partner. But inclusion is not a one-way street; it places reciprocal obligations on the individual as well as rights - and in every domain and in every social class. These rights and obligations can be organised in a voluntary code; or they may be codified into law. The institutions that grow out of these relationships foster relations of trust and commitment; they tend to be high investing, attentive to human capital and highly creative (Will Hutton, *ibid*:2).

Stakeholding, like public service before it, is probably best understood as the next chapter in the long twentieth century debate 'on planning and democracy' (Trevor Smith, 1979: x). This debate dominated the interwar years in Britain and as with public ownership, support for planning 'cut right across party divisions' even though its supporters often had different goals - some envisaging a political end such as greater equality, with

others hoping that it would merely lead to economic efficiencies.¹³ Planning helped foster a climate of opinion which brought about the 'paradigm change in post-war politics whose twin manifestations were the Keynesian mixed-economy and the Beveridgian welfare state' (Trevor Smith, 1979: 79). It remains to be seen however, whether stakeholding will be able to challenge the neo-liberal Conservatism which has dominated the political landscape for the last seventeen years.

As far as broadcasting is concerned however, to date stakeholding has had relatively little to contribute, save the suggestion that public institutions, such as the BBC and the Bank of England, ought to 'suffer less political interference over their proper spheres - notably appointments' (Will Hutton, Ibid: 3-4). Most importantly, it does not, as yet, address the long term problems of accountability which the BBC continues to face, nor the related issue of how to secure the funding of all current terrestrial channels in what has become an increasingly competitive market.¹⁴

Debates about public service on the other hand, have contributed greatly to the question of how the public interest in broadcasting ought to be articulated. These debates have focused on whether efficiency ought to be calculated in technological or productivity related terms or in the context of wider human relations, and how public service institutions like the BBC ought to face the problem of accountability - whether 'expert' governors are better at articulating the public interest than Ministers in Parliament, or indeed, other forms of representation.

¹³ The 'planners' included groups as diverse as the Fabians, the guild socialists, academics like Herbert Finer, Conservatives, Liberals, Labour, and Oswald Moseley (Trevor Smith, 1979:4-5).

¹⁴ Indeed, the Labour Party's recent support for the liberalisation of cross-media ownership rules, during debates on the 1996 Broadcasting Bill, suggest a failure of understanding in this area.

If public service broadcasting is to thrive in the next century, a number of issues will need to be addressed. Firstly, there must be a sustained challenge to the view that the broadcasting market must always be allowed to respond to technological developments. As this thesis demonstrates, public service broadcasting was forged from a set of political, economic, administrative and cultural ideas about the nature of society and broadcasting's role in it. Public service broadcasting was never a simple response to a set of technological conditions; hence its ability to respond to new conditions in the 1950s and 1980s.

Secondly, there needs to be an agreement about the key characteristics of public service broadcasting. In the past these included efficiency in its widest sense, a commitment to universal delivery and content and a secure funding mechanism. The existence of ITV and Channel Four as commercial public service broadcasters demonstrates that a commercial element to some public service broadcasting provision can reap positive rewards; however, in recent years the public service aspects of all terrestrial provision (BBC, ITV and Channel Four) have been eroded by the demand for a narrower kind of efficiency and a government committed to competition at any price.

Public service broadcasting has always been able to adapt to new conditions, its future depends however on the ability of policymakers to make firm political decisions about the kind of broadcasting is appropriate for democracy at the end of the twentieth century. In the past public service broadcasting was tied to a wider critique of society, and although the idea of public service has been systematically undermined, the current interest in the idea of the stakeholder society, demonstrates that the idea of public service remains an appealing one.

Stakeholding, with its critique of neo-liberal interpretations of efficiency and its belief that there needs to be a 'new relationship between individual and society' (Tony

Blair, cited in New Statesman and Society, 29 March 1996), could provide the inspiration for a renewed commitment to broadcasting in the public interest and a reinvigorated system of public service broadcasting; however, for that to happen the lessons of the past will need to be addressed and public service broadcasting will have to account for itself to the public in new and challenging ways.

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